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REPARATION COMMISSION.

IX.

OFFICIAL DOCUMENTS.

Regulations for Deliveries in Kind.

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FOR DELIVERIES IN KIND

(Text in conformity with decisions of the Reparation Commission dated April 24th, May 26th and June 9th, 1925.)

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REGULATIONS

FOR DELIVERIES IN KIND

(Text in conformity with decisions of the Reparation Commission
dated April 25th, May 26th and June 9th, 1925.)

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ANNEX 2385a.

REGULATIONS FOR DELIVERIES IN KIND.

The following procedure applies to all deliveries in kind to be made by Germany.

ARTICLE 1.

DEFINITION OF THE COMMODITIES AND SERVICES (1) WHICH MAY BE SUPPLIED AS DELIVERIES IN KIND.

1. All commodities or services produced by the German economic system may be the subject matter of a delivery in kind, that is to say, may be paid for out of the funds in German currency paid under the Experts' Plan to the account of the Agent for Payments, subject to the following reservations :

(A) Commodities shown in List A (Annex I) as "excluded commodities" cannot be called for as deliveries in kind;

(B) Commodities shown in Lists B and D (Annex I) as "rationed commodities" can only be called for as deliveries in kind within the limits fixed for List B by the programmes drawn up according to the procedure provided for in Article V hereinafter and for List D by the list itself;

(C) Commodities shown in List C (Annex I) shall not be supplied as a delivery in kind unless a part of their value is paid direct under the conditions specified in Articles IV and IX, Section II hereinafter.

2. All commodities and all services not shown in Lists A, B and D or under paragraph 4 hereinafter, may be delivered without limitation of quantity subject only to the approval of the contracts of delivery in the manner provided for in Articles V and VI hereinafter.

3. Contracts for less than 1,000 Reichsmarks shall not, however, be accepted as contracts for delivery in kind unless they are riders to contracts already approved.

4. The delivery of commodities due under Annex V to Part VIII of the Treaty of Versailles and under Clause 2 (*d*) of Annex II to the London Agreement shall be effected in the manner prescribed in Article VII hereinafter.

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(1) The word "Services" must be understood with the meaning and interpretation given to it at the London Conference (See Report of the 3rd Committee, letter of August 10th 1924).

ARTICLE II[1].

ORGANISATION.

1. The Special Committee are unanimously of opinion that it is necessary, in order to ensure the most efficient working of deliveries in kind, to establish a procedure as simple and rapid as possible for the drawing up of programmes and the approval of contracts.

2. Consequently the Reparation Commission will set up in Paris, at the headquarters of the Reparation Commission, a technical office called the "Office for Deliveries in Kind of the Reparation Commission", to be charged with and to remain responsible for the strict application of the procedure specified in the present Regulations; the German Government will set up at Paris, at the headquarters of the Kriegslastenkommission, in close contact with that Office, a technical office called the "Deutsches Sachlieferungsbüro", hereinafter called the German Office, so organised as to be able with full powers to represent the German Government for the purpose of the exercise of its rights under the present Regulations.

3. In application of Clause 2 (*b*) of Annex II to the London Agreement, the German Office shall assist the Governments of the creditor Powers, (2) at their request, in all investigations preliminary to the deposit of contracts with the office of the Reparation Commission and calculated to facilitate and expedite the application of the procedure for approving contracts.

ARTICLE III.

PREPARATION AND REVISION OF THE LISTS.

1. Lists A, B, and C may be revised every two years, the first period of two years ending on the 1st April 1927.

If the Government of a creditor Power or the German Government desires to have these Lists revised, it shall lay its request before the Reparation Commission three months before the date at which a revision may take place.

2. In such an event the Reparation Commission and the German Government shall immediately convoke a special Committee constituted in the same manner as the Special Committee signatory to the present Regulations; the decisions of this Committee shall be ratified and put into force in the same way as the decisions of the present Special Committee.

3. List D is valid for a period of 2 years ending on the 1st April, 1927; this list may be revised in the manner provided for in the list itself.

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(1) See Annex VII, 12th Meeting Extract n° 4.

(2) For the purposes of the present Regulations the expression "creditor Powers" means the Powers which are entitled to a share in the Annuities under the Experts' Plan.

4. The appended List C which is simply List B of the Bemelmans-Cuntze Agreement in a modified form, shall be revised in so far only as concerns the coefficients therein shown, account being taken of the rules laid down in Article IV.

5. This revision, which shall be undertaken as soon as the Committee has officially transmitted the present Regulations to the Reparation Commission, shall be based on proposals to be made by a Board of Allied and German Technical Experts, and shall be carried out by the present Special Committee whose powers shall be prolonged and extended for this purpose by agreement between the Reparation Commission and the German Government.

6. The revision shall be completed not later than April 30th, 1925 (1).

7. As a provisional measure pending this revision that part of the value of the commodity which is to be paid direct under the conditions defined by Articles IV and IX (Section II) shall be paid by the Agent for Payments, who for this purpose shall open an "Advance" account to each of the creditor Powers. This account shall be balanced after the completion of the revision and with due regard to its results in the manner prescribed in Article IX, Section II, 5 and 6.

ARTICLE IV.

METHOD OF DETERMINING THE COEFFICIENTS OF LIST C. RULES TO BE APPLIED TO THE DIRECT PAYMENT OF A PART OF THE VALUE OF DELIVERIES.

Section I.

1. The coefficients of List C should represent the ratio of the value of the foreign raw material included in the commodity to the sale price of the same commodity, delivery taken at factory or warehouse.

2. They shall be based on a detailed costing of the sale price of the article.

3. List C after each revision shall include commodities the coefficient of which, determined as indicated in paragraph 1 above, is equal to or more than 25 %.

4. For any such commodity a part of the sale price of the commodity, delivery taken at factory or warehouse, corresponding to its coefficient, shall be paid direct in the manner laid down in Article IX, Section II hereinafter.

Section II.

1. If a contract makes the seller responsible for the transport of the commodity outside Germany (by land or by navigable waterway under a flag other than German, or by sea under a flag other than German) such transport shall not give rise to a direct payment unless the cost exceeds 400 gold marks, in which case the total cost of the transport outside Germany shall be paid direct.

This provision does not apply to the transport by waterway of Reparation coal, which is governed by Annex V to these Regulations.

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(1) The text reproduced in the present document is the revised text.

2. If a contract makes the seller responsible for erection outside Germany, such erection shall not give rise to a direct payment unless the cost exceeds 1,000 gold marks, in which case 50 % of the cost of erection outside Germany shall be paid direct.

This rule shall not apply to the employment of labour outside Germay provided for in paragraph 4 hereinafter.

3. If a contract relating to the supply of a combination of commodities (installation of a factory or plant, ships, etc.) involves the deliveries of commodities included in List C as part of the combination, the delivery of these commodities shall not give rise to a direct payment unless the value of the commodities, delivery taken at factory or warehouse, exceeds ten per cent (10 %) of the total amount of the contract, in which case direct payment shall be made for the same value as if each of the commodities included in List C and delivered with the whole were delivered separately.

4. As to such of the exceptional contracts defined in Article V, paragraph 6, as may involve the employment of German labour outside Germany, the proportion of the direct payment to be made in respect of the employment of such labour (a proportion which it is impossible to fix beforehand finally) will be determined for each particular contract by the decision approving the contract, regard being had to any agreement between the contracting parties as to the employment and method of payment of German labour abroad. In order, however, to facilitate the preparation of the contracts, the German Office shall, at the request of any one of the creditor Powers concerned co-operate in investigations with a view to obtaining decisions of principle for certain classes of contracts, fixing in advance the proportion of the direct payment to be made in respect of the employment of German labour outside Germany. These decisions of principle shall be taken in the manner prescribed in Article VI for exceptional contracts.

5. Transport under the German flag, in Germany or out of Germany, by navigable waterway or by sea, shall not give rise to any direct payment, whether it is merely an accessory of a reparation delivery or the sole subject-matter of a contract.

ARTICLE V.

DRAWING UP OF PROGRAMMES.

1. The programmes for the execution of Annex V to Part VIII of the Treaty of Versailles, during the period of validity of that Annex, will be drawn up in accordance with the provisions of Annex IV to the present Regulations (Coal, etc.) [1].

The Office of the Reparation Commission will assure itself in due time that the Transfer Committee does not object to the execution of the programme, by submitting to the Transfer Committee, at its meeting immediately preceding the date for fixing the programme, the table of inclusive maximum quantities which each of the creditor Powers concerned intends to call for.

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(1) The quantities fixed by the programmes drawn up under paras 1 and 2 will be divided among the creditor Powers by the Reparation Commission, it being understood that any quantity allocated to a country and waived by it may be distributed among the other creditor Powers.

2. Programmes will be drawn up at intervals of about six months, fixing on each occasion the maximum quantity of commodities included in List B which may be obtained during the period of eighteen months following.

The exact date of the coming into force of each programme will be fixed by the Office of the Reparation Commission, account being taken of the above indication, as well as of the times of meeting of the Transfer Committee, and sufficiently in advance to make it possible to notify this date to the creditor Powers and to the German Office at least 15 clear days before the beginning of the procedure fixed in paragraph 3 below.

3. The procedure for drawing up the programmes mentioned in paragraph 2 shall be as follows :

	Before date fixed for meeting of Transfer Committee.
(*a*) The despatch by the creditor Governments of their demands to the Office of the Reparation Commission	23 days.
(*b*) Notification of these demands by the Office of the Reparation Commission to the German Office	21 days.
(*c*) Meeting of the two Offices with the assistance of any experts that either may deem it desirable to call in, to examine the demands conjointly.	13 days.
(*d*) Despatch by the German Office of its final opinion to the Office of the Reparation Commission	8 days.
(*e*) Despatch by the Office of the Reparation Commission of its report to the Reparation Commission and to the Transfer Committee, together with the opinion of the German Office which in its turn shall receive a copy of this report	6 days.
(*f*) Opinion of the Transfer Committee.	
(*g*) Decision of the Reparation Commission	Within 5 days of the opinion of the Transfer Committee

4. As regards timber, raw sugar, sulphate of ammonia prepared by synthetic processes and the other synthetic nitrogenous products, dyestuffs and chemical drugs, the programmes are shown in Annexes I (List D) III, and VI of the present Regulations.

5. All other commodities of German origin or manufactured in Germany, and coming direct from Germany, shall be deemed to be included in the programmes of the Reparation Commission without being specially mentioned in these programmes.

With the exception of the limitations provided for in Clause 2(b) of Annex II to the London Agreement, and in the Experts' Report, there is no restriction regarding the quantities of these commodities which may be obtained by each creditor Power within the limit of the credits at its disposal (1).

6. The creditor Powers may submit exceptional contracts for approval.

The following shall be considered as exceptional contracts.

(*a*) Contracts for complete installations, works of public utility, shipbuilding.

(*b*) Contracts providing for deliveries or payments extending over more than twenty-four months (not including sums retained as security and which do not exceed 10 % of the total value of the contract).

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(1) See Annex VII, 12th Meeting, Extract No. 5, 2nd German declaration "Deliveries in kind and normal German export trade".

(*c*) Contracts for commodities not rationed by the programmes or by List D and involving payments exceeding 12 million gold marks per annum.

7. "Services" within the meaning of the London Agreement shall not require to be fixed by programme; contracts for such services shall be treated as ordinary contracts, or as exceptional contracts if the American Citizen, Member of the Reparation Commission so decides on the request of the German Office.

8. Except where otherwise provided in the Annexes, the establishment of the programmes by the Reparation Commission shall give the creditor Powers an option for the passing of contracts up to the amount specified in the programmes, without imposing on them any obligation to take delivery of the quantities provided for in the programmes.

ARTICLE VI.

APPROVAL OF CONTRACTS.

A. — Ordinary contracts.

1. All contracts other than the contracts defined as exceptional contracts in Article V, paragraph 6 shall be dealt with as follows :

(*a*) Each contract (1) shall be sent by the creditor Power concerned, in triplicate to the Office of the Reparation Commission which shall give a dated receipt. One copy shall be transmitted on the same day by this Office to the German Office.

(*b*) If within three clear working days from the receipt of the contract by these Offices, no objection has been taken by the Office of the Reparation Commission or notified in writing by the German Office to the Office of the Reparation Commission, the Office of the Reparation Commission shall stamp the contract as an approved contract and shall send it at once to the Agent for Payments, for notification to the Transfer Committee and for payment at the due dates prescribed in the contract. The creditor Power and the German Office shall be notified immediately.

(*c*) If, within three clear working days from the receipt of the contract, the German Office objects to the contract on the ground that it fails to comply with the provisions of the present Regulations, or if, within the same period, the Office of the Reparation Commission raises objections, the question shall be referred immediately to the American Citizen, Member of the Reparation Commission, who will take a final decision within a further period which shall be normally of three clear working days (2). If this decision includes the approval of the contract, the Office of the Reparation Commission shall stamp the contract as an approved contract and shall send it at once to the Agent for Payments for notification to the Transfer Committee and for payment at the due dates prescribed in the contract. The creditor Power and the German Office shall be notified immediately.

In exceptional cases, the German Office may for the purpose of examining a contract request an extension of forty eight hours from the American Citizen who will decide after consulting the Office of the Reparation Commission.

(*d*) Although it is unanimously agreed that it is of the greatest importance that the deci-

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(1) By contract, within the meaning of these Regulations is understood :

a. A document signed by the two parties.

b. A firm offer with or without specification, accepted without reserve by the buyer by letter or by telegram.

c. A firm demand accepted without reserve by the seller by letter or by telegram.

(2) In case the American Citizen is prevented from carrying out the duties assigned to him by the present Regulations it shall be for him to nominate his substitute.

sion regarding approval or rejection should be taken without any delay, the American Citizen, Member of the Reparation Commission shall have the right, in exceptional cases and on his own authority, to postpone his decision for eighteen days at most counting from the date on which the case was submitted to him.

2. In order to know at any moment the position of the Governments of the creditor Powers, the Office of the Reparation Commission shall keep an account for each Government, based on the information supplied by the Agent for Payments, showing its credits estimated as still available and its commitments for the next twenty four months.

For the approval or rejection of the contracts from this particular point of view the Office of the Reparation Commission shall apply the special rules to be drawn up by the Reparation Commission and the Transfer Committee, it being understood that these rules shall not have the result of changing the time-limits for approval prescribed above.

The provisions of this paragraph do not concern the German Office.

B. — Exceptional contracts.

1. Each contract shall be sent in triplicate by the creditor Power concerned to the Office of the Reparation Commission which shall give a dated receipt.

One copy shall be forwarded on the same day by this Office to the German Office.

The following shall be the procedure for the approval of the contract :

Examination of the contract conjointly by the Offices under the Chairmanship of the American Citizen, Member of the Reparation Commission or his representative, each Office being entitled to the assistance of such experts as it may deem desirable, the Government of the creditor Power concerned being represented and the contracting parties having full power to amend the contracts, in accordance with the observations made ..... 13 days. (after the date of depositing the contract, —)

Deposit with the Office of the Reparation Commission of the final opinion in writing of the German Office ..... 15 days.

Despatch by the Office of the Reparation Commission to the Transfer Committee and to the Reparation Commission of the observations of the two Offices (a copy being also sent to the German Office) ..... 20 days.

Opinion of the Transfer Committee at its first meeting after the completion of the above procedure.

Decision of the Reparation Commission ..... Within 5 days of the opinion of the Transfer Committee.

The contract shall be approved only in the event of a favourable decision by both the Reparation Commission and the Transfer Committee.

2. If the contract relates to commodities rationed by the programmes and runs for a period exceeding the validity of the programmes, the Reparation Commission shall, before giving its approval, consider the rights of the Allied Powers other than the Power presenting the contract.

If the decision is one of provisional rejection or of conditional acceptance, and if the Government of the creditor Power concerned re-submits the contract to the Office of the Reparation Commission after having made the amendments requested, final approval shall be given and notified in the same form and within the same time-limit as for ordinary contracts.

Riders to ordinary or exceptional contracts shall be dealt with in accordance with the procedure laid down for ordinary contracts, unless the American Citizen, Member of the Reparation Commission considers, within three clear working days, that these riders contain clauses which bring them within the category of exceptional contracts.

ARTICLE VII.

PROVISIONS RELATING TO THE EXECUTION BY THE GERMAN GOVERNMENT OF THE PART NOT COVERED BY COMMERCIAL CONTRACTS OF THE PROGRAMMES RELATING TO THE EXECUTION OF THE ANNEXES OF THE TREATY, SO FAR AS THESE ANNEXES HAVE NOT EXPIRED, AND OF THE PROGRAMMES RELATING TO THE EXECUTION OF CLAUSE 2 (*d*) OF ANNEX II TO THE LONDON AGREEMENT.

These provisions are to be found in :

Annex III of the present Regulations for sulphate of ammonia prepared by synthetic processes and the other synthetic nitrogenous products.

Annex IV of the present Regulations for coal, coke and lignite.

Annex V of the present Regulations for the transport of coal, coke and lignite.

Annex VI of the present Regulations for dyestuffs and chemical drugs.

ARTICLE VIII.

ORDERS OF THE REPARATION COMMISSION AND CONTRACTS UNDER THE BEMELMANS-CUNTZE AGREEMENT (BERLIN, 2ND JUNE 1922) AND THE GILLET-RUPPEL AGREEMENT (PARIS, JUNE 1922) PASSED BEFORE 1ST SEPEMBER 1924.

1. All old orders of the Reparation Commission passed under Annexes II. III and IV to Part VIII of the Treaty of Versailles and all contracts made under the Bemelmans-Cuntze and Gillet-Ruppel Agreements, which were passed before the 1st September 1924, shall be considered as cancelled on the 1st July 1925 with the exception of:

(*a*) Orders or contracts being already the subject of riders which provide for whole or part fulfilment of the original orders or contracts, and have been approved by the Allied Government, the German Government, and by the Reparation Commission since the 1st September 1924, or

(*b*) Orders or contracts being before the 1st July 1925 the subject of riders which provide for whole or part fulfilment of the orders or contracts and have been approved by the Allied Government, the German Government and by the Reparation Commission.

The Allied Government concerned in agreement with the German Government shall present to the office of the Reparation Commission by the 1st July 1925 a complete list of all the orders and contracts referred to in (*a*) and (*b*) above. This list shall state in what order of priority the orders and contracts are to be carried out. Any dispute which may arise between the German Government and the Allied Governments concerned regarding this order of priority shall be settled by the American Citizen, Member of the Reparation Commission. The German Office for deliveries in kind and the Agent for Payments shall receive a copy of the list in question.

2. As regards the foregoing orders or contracts the Allied Government concerned shall supply the Office of the Reparation Commission from time to time with full particulars, including the dates, of all the deliveries which are to take place and of the payments which are necessary during periods not exceeding twenty four months. It is understood that in no case can such payments exceed the funds in the hands of the Agent for Payments available for the country concerned during the period in question. The Office of the Reparation Commission shall send copies of these particulars to the German Office and to the Agent General.

The deliveries made under the present article shall not give rise to any direct payment within the meaning of Article IV of the present Regulations, provided that part payment has been made by the German Government before September 1st 1924.

3. It is understood that all the rights of the Reparation Commission, of the Government of the creditor Power concerned and of the German Government are reserved as regards any question relating to the inclusion in the annuities of the Experts' Plan of the Payments provided for by the contracts.

ARTICLE IX.

PAYMENTS.

Section 1 (1). — *Payments on Reparation Account.*

1. The authorised representative of the Government of the creditor Power concerned, whose signature will be transmitted to the Agent for Payments will, at the request of the purchaser, issue drafts for the amount of the sums due to the seller for the execution of the contract.

The issue of the draft will have its ordinary commercial meaning; it will further mean:

(*a*) That the Government issuing the draft agrees to be debited on the day of payment, by the Agent for Payments, with the sum named on the draft;

(*b*) That the Government issuing the draft guarantees that the draft is drawn in proper form;

(*c*) That in the case of a time draft, in the event that the Agent General for Reparation Payments is not prepared to provide the funds needed to meet said draft at maturity the Government issuing the draft undertakes to place the necessary funds for the payment thereof at the disposal of the Reichskreditgesellschaft at the Reichsbank, Berlin, two days before the maturity.

2. The creditor Power will issue only such drafts as fall due not later than six months from the date of their issue (2).

3. The purchaser will send the draft to the seller after endorsing it to him.

4. As a general rule, the drafts shall be made out in Reichsmarks. Where, however, a contract fixes a price expressed in another currency as the money of account, the drafts shall be made out in that currency, and on the day of payment their amount shall be converted into Reichsmarks by the Agent for Payments at the official rate of the Berlin Bourse on the day when the payment falls due.

5. The drafts shall be in one of the forms contained in Annex II. Form A is for drafts payable five days after sight; Form B is for time drafts. They shall contain a German text and a translation in the language of the creditor Power which issues the draft.

The form of draft may be modified by agreement between the Reparation Commission, the Transfer Committee and the German Government.

6. The payment for deliveries under Annex V to Part VIII of the Treaty of Versailles not covered by commercial contracts shall be made by orders to pay, issued by the author-

(1) See covering letter (No 17), page 110.

(2) To avoid the drawbacks of excessive circulation of drafts on the German market, the Committee considers that the Governments of the creditor Powers should so far as possible limit the use of drafts of more than three months' duration.

ised representative of the Government of the creditor Power, in favour of the German Government or its mandatory, and addressed to the Agent for Payments.

7. If as a result of the execution of a contract or in order to wind up a contract a cash payment is due by the seller to the buyer, the buyer shall be required to inform his Government and to ask the seller to make the payment to the Agent for Payments who will credit the Government concerned with the sum in question.

This provision shall not however apply to payments which do not exceed 20 % of the total amount of the contract with a maximum of 10,000 gold marks and which may be owing by the seller to the buyer, after the last payment for which the contract provides has been made. Such payments shall be made direct by the seller to the buyer in accordance with the ordinary rules of commerce.

8. The creditor Powers shall, within 24 hours, send to the Agent General for Reparation Payments under the signature of their representatives:

(*a*) A summary in the attached form (Annex II C) of the orders to pay and the drafts payable five days after sight which have been issued by them during the day and a duplicate of this summary;

(*b*) A summary in the attached form (Annex II D) of the time drafts issued by them during the day and a duplicate of this summary.

In addition in the case of time drafts the creditor Powers shall send to the Reichskreditgesellschaft a duplicate of the summary (Annex II *d*).

The creditor Powers shall also supply weekly to the Office of the Reparation Commission a recapitulatory statement of the orders to pay and of the drafts issued by them during the week.

The Agent for Payments will send to the Reparation Commission, in one original and two copies, for each payment made by him, a debit note of which the original will be immediately sent to the creditor Power concerned, through its Delegation, and of which one copy will be sent to the Office of the Reparation Commission.

SECTION II. — *Direct Payments.*

1. The provisions of Article IV of the present Regulations relating to the direct payment of a part of the value of certain commodities or of certain services may be made applicable to each contract:

(*a*) Either by insertion of a clause to this effect in the contract,

or

(*b*) By the terms of the decision approving the contract.

2. In the first case, (*a*) the contract shall specify exactly the dates and the amounts of the payments to be made direct and the contracting parties shall further mutually undertake to modify their contract in any such way as the decision approving the contract may prescribe, in order to adjust the contract to the provisions of Article IV of the present Regulations.

3. In the second case, (*b*) the decision approving the contract shall specify exactly the dates and amounts of the payments to be made direct. Unless there is agreement between the Office of the Reparation Commission and the German Office, each of the amounts falling due under the contract shall include a part payable direct, corresponding to the coefficient applicable to the commodity which is the subject matter of the contract. For costs of transport and of erection outside Germany the corresponding direct payments shall be made at the due date under the contract, which follows immediately after the service in question has been rendered, unless agreed otherwise between the two Offices.

4. In either case, the Agent for Payments shall pay, according to the rules laid down in Section I above, the sums payable on Reparation account; the buyer shall make the direct payments to the seller, according to ordinary commercial practice.

5. The foregoing provisions however do not exclude the possibility for a creditor Power to seek to make an arrangement with the Agent for Payments which would enable him, in the case of certain contracts, to make the whole of the payments provided for by the contract, it being understood that in such a case that part of the payments which should be made direct shall be debited to the creditor Power concerned in a special account, which that Power shall be required to balance at short intervals by paying into it Reichsmarks purchased by it in the money market.

6. The account shall be balanced at least once every two months, and as often as may be necessary to ensure that the debit balance of the account shall never in the case of France exceed 4 million gold marks, and in the case of other Powers concerned the same sum reduced in proportion to their Reparation percentages.

ARTICLE X.

MEASURES FOR THE APPLICATION OF SUB-PARAGRAPH 2 (RE-EXPORTATION) OF CLAUSE 2 (*c*) OF ANNEX II TO THE LONDON AGREEMENT.

For the application of the clause concerning non re-exportation, the Government of each of the creditor Powers may choose between the two solutions A and B. below. This choice shall be binding for one year, and shall be exercised the first time within two months after the coming into force of the present Regulations, and the second time within two months before the expiration of thefirst year.

The choice between the two solutions shall be notified to the Office of the Reparation Commission and immediately communicated by it to the German Office.

Failing such notification or pending such notification, solution B alone shall apply. If the second option is not exercised, the solution adopted for the first year shall hold good for the second year.

Irrespective of the conditions laid down in the two solutions, the Governments of the creditor Powers maintain the undertaking which they took under the London Agreement concerning the re-exportation of the commodities received as deliveries from Germany.

SOLUTION A.

1. Except in the case of goods for which re-exportation may have been authorised in the manner provided for in paragraph V of Annex VI to the Experts' Plan, or of contracts relating to commodities the total value of which does not exceed 3,000 gold marks, the creditor Powers concerned shall not deposit with the Office of the Reparation Commission any contract concluded by their nationals without appending the following declaration signed by the purchaser:

"I undertake not to re-export out of..... the commodities purchased under Contract No.....

"In the event of my selling all or part of these commodities, I also undertake to require my purchaser to take upon himself all the undertakings which I have taken by the present declaration, and to transmit the same undertakings to his successive purchasers.

"If I fail to perform any of these undertakings I consent to be deprived for two years of the possibility of passing contracts on Reparation account, and I will pay to the Government of..... (the Government of the creditor Power concerned) a sum equal to 25 % (twenty

five per cent) of the value of the commodities re-exported or re-sold by me without the clause prohibiting re-exportation.

"It shall not be considered to be re-exportation if, in case of incorporation in another article or of transformation, the value of the commodity delivered by Germany on Reparation account does not constitute more than 60 % (sixty per cent.) of the value franco-frontier ..... (1) or f.o.b..... (2) of the article exported.

"It shall not be considered to be re-exportation if the commodities are sent into the colonies or dependencies of the creditor Power concerned."

If the contract is concluded by the Government itself, the Government shall submit it with an undertaking not to re-export and, if it re-sells within the country, to require the purchaser to assume an undertaking in the form stipulated above (3).

2. Subject to the provisions of Clause 2 (*c*) of Annex II to the London Agreement, the above undertaking does not exclude any agreement concerning non-re-exportation, which the contracting parties may insert in the contract itself, it being understood, however, that there shall be no duplication of penalties, that is to say, if a penalty is paid under the contract, the penalty to be paid under the declaration shall be correspondingly reduced.

3. The Allied buyer who infringes the prohibition against re-exportation shall be deprived for two years of the right to pass Reparation contracts. If a difference arises between a creditor Power and the German Government on the question whether there has been re-exportation or not, the two parties shall ask the President of the Arbitral Tribunal set up by Article XI of these Regulations to designate an arbitrator who shall decide whether there has been re-exportation or not within the meaning of the London Agreement and of the present Regulations.

SOLUTION B.

1. Except in the case of goods for which re-exportation may have been authorised in the manner provided for in paragraph 5 to Annex VI to the Experts' Plan, or of a contract relating to commodities the total value of which does not exceed 3,000 gold marks, all commercial contracts presented as Reparation contracts shall contain the following clause:

"The buyer undertakes not to re-export out of... the commodities purchased under the present contract...

"In the event of his selling all or part of these commodities he undertakes similarly to require his purchaser to give the same undertaking for the commodities purchased by him and to impose the same undertakings on the successive purchasers of these commodities.

"If he fails to perform any of these undertakings the purchaser consents to be deprived for two years of the possibility of passing contracts on reparation account.

"It shall not be considered to be re-exportation if in the case of incorporation in another article or transformation, the value of the commodity delivered by Germany on Reparation account does not constitute more than 60 % (sixty per cent) of the value franco-frontier... (4) or f. o. b... (5) of the article exported.

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(1) *e. g.* in France.

(2) *e. g.* a French port.

(3) The Committee has provided no penalty for the case of a Government re-exporting its reparation deliveries, as it considers that such an act would be obviously contrary to the London Agreement.

(4) *e. g.* in France.

(5) *e. g.* a French port.

"It shall not be considered to be re-exportation if the article is sent into the colonies or dependencies of the creditor Power concerned".

2. The contracting parties have the right to insert in the contract any provisions not contrary to the laws of the receiving country, by which they agree to the payment of a penalty or indemnity for the non-performance of the above undertakings.

3. The buyer who infringes the prohibition against re-exportation shall be deprived for two years of the right to pass Reparation contracts. If a difference arises between a creditor Power and the German Government on the question whether there has been re-exportation or not, the two parties shall ask the President of the Arbitral Tribunal set up by Article XI of these Regulations to designate an arbitrator who shall decide whether there has been re-exportation or not within the meaning of the London Agreement and of the present Regulations.

ARTICLE XI.

ARBITRAL TRIBUNALS.

If a dispute arises between the Reparation Commission, or the Transfer Committee, or one of the creditor Powers on the one hand, and the German Government on the other hand, on the interpretation or the application of the present Regulations, or if a creditor Power or the Reparation Commission considers that the German Government fails to perform the obligation assumed by it under the first paragraph of Clause 2 (*c*) of Annex II to the London Agreement, the dispute shall be submitted to one or three arbitrators nominated by the parties, or failing agreement, to three arbitrators nominated by the Arbitral Tribunal created under Clause 1 of Annex II to the London Agreement (1).

Before making an award, and without prejudice to the question in dispute, the Arbitrator or Arbitrators if moved by either party, shall prescribe any provisional measures necessary for the protection of the interests of the parties.

ARTICLE XII.

INFRACTIONS AND FRAUDS.

1. The Governments of the creditor Powers, the German Government and the Offices of the Reparation Commission and of the German Government in Paris shall, by means of the interchange of information, do all that is possible to prevent any infraction of this procedure or any fraud in the execution of contracts approved under this procedure.

2. The creditor Power concerned and the German Government may, after the approval by the Reparation Commission of a contract, make any enquiry which they think necessary in their respective countries in order to ascertain if the execution of the contract in question has given rise to an infraction of the present Regulations or to fraud. The Office of the Reparation Commission may also from time to time make enquiries such as calling for way-bills or for any other evidence enabling it to judge whether the delivery has actually taken place in favour of the creditor Power concerned.

3. The creditor Power concerned, or the German Government through the German Office, shall notify the Office of the Reparation Commission of its intention to make any such enquiry concerning a contract, and shall communicate to the Office the result of any such enquiry, with documents in support.

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(1) *See* covering letter No. 12, page 109.

The Office of the Reparation Commission shall communicate this information to the creditor Power concerned or the German Office in Paris, as the case may be. It shall also communicate to them the result of any enquiries conducted by it.

4. The name of any buyer who is deemed by his own Government to have been guilty of wilful infraction of this procedure or of fraud, shall be notified to the Office of the Reparation Commission by the creditor Power concerned; the Office of the Reparation Commission shall inform the German Office.

The name of any seller who is deemed by the German Government to have been guilty of wilful infraction of this procedure or of fraud, shall be notified to the Office of the Reparation Commission by the German Office which shall supply the reasons for the decision, the Office of the Reparation Commission shall inform the Governments of all the creditor Powers, and shall communicate the reasons to the Government specially concerned.

The Office of the Reparation Commission shall for a period of two years from the date of the notifications refuse to approve any contract in which the seller or buyer whose name has been so notified, appears as one of the contracting parties.

Should a Government concerned consider that a particular measure taken by the German Government under this Article is contrary to the provisions of the first paragraph of Clause 2 (*c*) of Annex II to the London Agreement, it shall have the right to appeal for the cancellation of the measure to the Arbitral Tribunal provided for by Article XI of the present Regulations.

5. If before the final payment due under a contract either the buyer or the seller is deemed by his Government to be guilty of wilful infraction of this procedure or of fraud, and if his name has been notified to the Office of the Reparation Commission, as provided in paragraph 4, no further payment in respect of that contract shall be made by the Agent for Payments and he Allied buyer and the German seller shall be left to continue the execution of the contract directly between themselves.

ARTICLE XIII.

REVISION OF THE PRESENT REGULATIONS.

The present regulations may, every two years, be submitted to revision to take effect from the 1st April, the first revision being dated the 1st April, 1927.

The request for revision shall be sent to the Office of the Reparation Commission before the 1st January of the year of revision, either by one of the creditors Powers, or by the Reparation Commission, or by the Transfer Committee (so far as the Transfer Committee is concerned) or by the German Government.

The revision shall be made by a special Committee which shall be formed in the same manner and have the same powers as the Committee signatory to the present Regulations.

These Regulations are drawn up in French, English and German, the three texts being equally authentic for purposes of interpretation, it being understood that in case of appeal to arbitration on the interpretation and pending the decision of the Arbitral Tribunal, the interpretation considered by the creditor Power concerned to be the most favourable to the proper execution of deliveries in kind shall be taken to be correct.

Done at Paris, March 6th, 1925.

For the Special Committee

Signed : Marc. WALLENBERG, *Chairman.*

ANNEX I.

(This Annex is drawn up in French, English and German, the German text being authentic for purposes of interpretation).

LISTS.

A. — Commodities which cannot be delivered on "reparation" account.

B. — Rationed commodities.

C. — Commodities which can only be partially paid for out of the funds of the Agent for Payments.

D. — Rationed commodities of which the ration has been fixed by the Special Committee itself.

LIST A.

COMMODITIES WHICH CANNOT BE DELIVERED ON "REPARATION" ACCOUNT (1).

GROUP I :

(*a*) All commodities of foreign origin which have not undergone any transformation in German territory.

(*b*) Foodstuffs manufactured from imported raw materials.

(*c*) Gold, platinum and silver articles.

GROUP II. — Industrial products the export of which is prohibited at the time of the conclusion of the contract.

GROUP III. — Miscellaneous industrial products :

(*a*) Scrap iron and scrap steel (843 *a*).

(*b*) Animal skins and hides (153 to 155).

(*c*) Paper clippings, waste paper, etc. (673 *a*).

(*d*) Yarn waste, cotton waste, etc., and all waste from weaving and other waste employed in the manufacture of paper (543 *b*).

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(1) The numbers in brackets are those of the German statistical lists of commodities.

It is understood :

NOTE : (*a*) That the prohibition contained in this List A will not apply to foodstuffs transported from Germany into the Allied countries for the victualling and maintenance of German workmen in Allied countries, and (*b*) That agricultural seeds are not included in this list but in List B (Rationed Commodities).

Group IV. — Miscellaneous agricultural produce :

(*a*) Flax (28 *c* and *d*) and hemp (28 *e*).

(*b*) Cereals of all kinds (1 to 8), oilcakes (193) and legumes (11 and 12) with the exception of those on List B and of dried vegetables.

(*c*) Milk and butter (133 and 134) eggs (136) honey (139 and 140).

(*d*) Potatoes (23).

(*e*) Sugar beet (25).

(*f*) Cereal bread meals (162 *a*, *b* and ex. 162 *c*).

(*g*) Animal fats (126 to 132). Animal fertilizers (161).

(*h*) Wood in the log, with the exception of pit-props (see List D).

LIST B.

RATIONED COMMODITIES [1].

1. Coaltar (244 *a*) and other products mentioned in the final sub-paragraph, paragraph 8 of Annex V to Part VIII of the Treaty of Versailles.

2. Benzol (245 *a*).

3. Paraffin (250 *b* and 251).

4. Refractory earths (223 and 226 except quarts).

5. Miscellaneous agricultural produce :

(*a*) Victoria peas (ex 11 *b*)

(*b*) Oleaginous fruits (13 to 17).

(*c*) Livestock (100 to 107).

(*d*) Agricultural seeds of all kinds; nursery products.

(*e*) Fish fry and spawn.

Further, commodities of which the exportation is prohibited will remain on the present list B for two years as from the date on which exportation is authorised.

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(1) The numbers in brackets are those of the German statistical list of commodities.

LIST C.

COMMODITIES WHICH CAN ONLY BE PARTIALLY PAID FOR OUT OF THE FUNDS OF THE AGENT FOR PAYMENTS.

This list is the revised list which is mentioned in paragraphs 4 to 6 of Article III of the Regulations.

SUMMARY OF CATEGORIES.

CATEGORIES.	
A	Raw products, semi-manufactured products, rough and fine products of all base non-ferrous metals, cast or rolled.
B	Pig iron, crude steel, ferro-alloys.
C	Electrical wires, accumulators, cables, electrodes.
D	Chemical products, artificial fertilizers, tanning products.
E	Products of the oil and fat industry, mineral oils, benzine, wax, fish oils, medicinal plants and barks.
F	Rubber, cork wares, asbestos wares.
G	Silk, wool, cotton, and other vegetable textile materials.
H	First class skins (prepared), pelts, stuffed animals.
I	Skins, raw hides, footwear, saddlery, fancy leather wares, gloves, transmission belts in natural leather, miscellaneous leather wares.
K	Brooms, paint and other brushes, feather dusters, plaited wares.
L	Casks and furniture, pencils, slates, sponges, buttons (with the exception of cloth covered buttons), aimal products which can be carved, ornamental feathers, tobacco, wood pulp.

CATEGORY A.

RAW PRODUCTS, SEMI-MANUFACTURED PRODUCTS, ROUGH AND FINE PRODUCTS OF ALL BASE NON-FERROUS METALS, CAST OR ROLLED.

SUB-HEADINGS.

	GERMAN CUSTOMS Schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
A. — Lead.		
Raw and waste	850,	95
In sheets, wires or pipes	851, 852 and ex-854 *a*	70
B. — Zinc.		
Raw and waste	855 *a*, *b*	95
In sheets, wires or pipes	856, 857, 858 and ex-859 *a*	85
C. — Tin.		
Raw and waste	860	95
In sheets, wires and pipes	861, 862, ex-863 *a* 863 *e*	90
Coarse and fine tin products	ex-863 *a*, 863 *b*	90
D. — Nickel.		
Raw and waste	864	95
In sheets, wires and pipes	865, 866, ex-868	90
Coarse and fine nickel products	ex-868	30
E. — Copper and Copper alloys.		
Raw and waste	869 *a*, *b*, *c*, *d*	95
Rolled	870 *a* and *b*	75
In thick sheets and wires	871 *a*, *b* 872, 873, ex-881 *a*, *b*, 882 *a*, *b*	70
In pipes	877 *c* and *d*	60
F. — Other base metals.		
Antimony, antifriction metal	869 *c*	95
Other base metals	869 *f*	95

CATEGORY A.

RAW PRODUCTS, SEMI-MANUFACTURED PRODUCTS, COARSE AND FINE PRODUCTS OF ALL BASE NON-FERROUS METALS, CAST OR ROLLED.

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	A. — Lead.	
850	Lead : crude (in blocks, pigs and similar forms), lead waste, scrap lead.....	95
851	Lead : rolled (sheet-lead), also milled, rough, ground, varnished, lacquered, polished or covered with other base metals or alloys of such metals, window lead.....	70
852	Lead wire.....	70
ex-854 a	Lead pipes, combined or not with other materials.....	70
	B. — Zinc.	
855 a	Crude zinc (in blocks), slabs, cakes, discs, grains (worked zinc).....	95
855 b	Scrap zinc, zinc waste.....	95
856	Zinc : drawn, rolled (thick sheets) crude.....	85
857	Same passed through the mill, varnished, lacquered, polished or covered with other base metals or alloys of such metals.....	85
858	Zinc wire.....	85
ex-859 a	Zinc pipes, combined or not with materials.....	85
	C. — Tin.	
860	Crude tin (in blocks, bars, scrolled plates), scrap tin, tin waste.....	95
861	Rolled tin (sheet tin).....	90
862	Tin wire.....	90
ex-863 a	Tin tubes, combined or not with other materials.....	90
ex-863 a	Coarse tin products, combined or not with wood, iron, lead or zinc, but neither lacquered nor polished : printing plates, with the exception of pipes.....	90
863 b	Cast spoons, forks, tea strainers, jugs, teatrays, capsules, tubes, siphon stoppers and other fine tin products, especially those painted, bronzed, varnished, polished, figured, or coated with other base metals or alloys of these metals, products of tin combined with other materials not mentioned above or which do not come under some other number owing to the admixture of other materials or which are not included under fancy articles, etc., of fine workmanship grouped under No 887 a.....	90
863 c	Tin in thin sheets (capsules, etc., tinfoil), even when coloured or plated with imitation gold leaf.....	90
	D. — Nickel.	
864	Crude nickel (metal) [in bars or pieces even if cast in the form of slabs or grills which can be used only for nickelling by electrolysis] scrap nickel, nickel coins.....	95
865	Forged or rolled nickel, in bars or thick sheets, shaped castings and forgings not worked.....	90
866	Nickel wire.....	90
ex-868	Nickel pipes, or pipes of nickel combined with other materials, nickel sockets and grooves.....	90

CATEGORY A. (Continued.)

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	D. — Nickel (Continued.)	
ex-868	Nickel articles, combined or not with other materials unless they are included under the fancy articles, etc., of fine workmanship, grouped under 887 a, or unless they come under some other number owing to the admixture of other materials, sheet nickel (thin)	30
	E. — Copper.	
869 *a*	Crude copper (including copper obtained by electrolysis or by cementation) in discs or pieces (known as purified copper), in blocks (cakes) bars or plates, in powder, etc.	95
869 *b*	Copper coins, scrap copper, copper waste, fragments of copper, copper shavings, copper scales	95
869 *c*	Brass, aich's metal, stereo metal, delta metal, durana metal, brazing metal, crude or waste tombac, and all scrap from these alloys obtained in the course of manufacture (brass shavings)	95
869 *d*	Bronze and other copper alloys, crude or in pieces, as well as scrap and waste of these alloys obtained in the course of manufacture	95
870 *a*	Rods, sheets (thick), shells and other forms forged or rolled (of copper)	75
870 *b*	Ditto of brass, tombac or other base metals indicated under No 869 *d* to *f*, or alloys of such metals, namely	75
	Bronze and other copper alloys, antimony, chromium, cadmium, magnesium, manganese, tantalum, titanium, tungsten and other base metals required in the manufacture of metal products and products of alloys of these metals.	
871 *a*	Copper wire with the exception of imitation gold wire (cement wire), iron wire covered with copper wire (imitation gold or not) by the process of spinning, braiding or winding	70
871 *b*	Wire (except imitation gold wire) made of other metals or alloys of such metals namely	70
	Brass, aich's metal, stereo metal, delta metal, durana metal, brazing, tombac, etc., bronze and other copper alloys, antimony, chromium, cadmium, magnesium, manganese, tantalum, titanium, tungsten and other metals required in the manufacture of metal products of alloys of these metals. Iron wire covered by wire as above by processes of spinning, braiding or winding. Wire made of rare earth or rare metals.	
872	Imitation gold wire (cement wire)	70
873	Wire cable and rope, when not lacquered, polished, covered with aluminium, nickelled, but dyed or varnished	70
877 *c*	Tubes and tube-joints of all kinds of copper	60
877 *d*	Tubes and tube-joints of all kinds of brass	60
ex-881 *a*	Copper in thick sheets, gilt or gold plated	70
ex-881 *b*	Copper in thick sheets, silvered or silver plated	70
ex-882 *a*	Copper wire, even when spun over some other wire of base metal or an alloy of base metals, gilt or gold plated	70
ex-882 *b*	Copper wire, even when spun over some other wire of base metal or an alloy of base metals, silvered or silver-plated	70
	F. — Other Base Metals.	
869 *e*	Antimony (antimony metal, anti-friction metal Spiessglanz, Spiesglanz König [regulus antimoni]) crude or waste	95
869 *f*	Chromium, cadmium, magnesium, manganese, titanium, tungsten, tantalum and other base metals and alloys of base metals used in the manufacture of metal products, or waste of such metal, including waste obtained in the course of the manufacture of these metals or their alloys	95

CATEGORY B.

PIG IRON, CRUDE STEEL, FERRO-ALLOYS.

SUB-HEADINGS.

	GERMAN CUSTOMS Schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
Pig iron	777 *a*	40
Ferro-alloys, with the exception of ferro-aluminium, ferro-silicium and ferro-nickel	777 *b*	55
Crude steel (ingots, blooms, with the exception of all rolled products)	ex 784	30

CATEGORY B.

PIG IRON, CRUDE STEEL, FERRO-ALLOYS.

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE OF RAW material of foreign origin.
	PIG IRON.	
777 *a*	Pig iron	40
	FERRO-ALLOYS.	
777 *b*	Ferro-chrome, ferro-manganese, ferro-tungsten and other non-malleable ferrous alloys	55
	CRUDE STEEL.	
ex 784	Crude ingots, crude pigs, blooms, crucible steel in ingots, with the exception of rolled products	30

CATEGORY C.

ELECTRICAL WIRES, ACCUMULATORS, CABLES, ELECTRODES.

SUB-HEADINGS.

	GERMAN CUSTOMS Schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
A. — ELECTRICAL WIRES.		
Insulated wires	890 *a*	55
B. — ACCUMULATORS.		
Accumulators	908 *a* and *b*	40
C. — CABLES		
Cables	909	
Underground	909	60
Submarine :		
Gutta-percha insulation, shore-end	909	50
Gutta-percha insulation, intermediate	909	55
Gutta-percha insulation, deep sea	909	65
Paper insulation	909	60
D. — ELECTRODES FOR ELECTRIC FURNACES.		
Electrodes containing more than 97 % of pure carbon	ex 648 *b*	80
Others	ex 648 *b*	65

CATEGORY C.

ELECTRICAL WIRES, ACCUMULATORS, CABLES, ELECTRODES.

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE OF RAW materials of foreign origin.
	A. — ELECTRICAL WIRES.	
890 *a*	Wires (lacing, covering, etc.) made of common metal, or alloys of such metals covered with a casing, or winding, or yarn on braiding, for electro-technical purposes	55
	B. — ACCUMULATORS.	
908 *a*	Electrical accumulators and their spare plates (electrodes) not made with celluloid, or similar plastic matter or with hard rubber	40
908 *b*	The same, made with celluloid, similar plastic matter, or hard rubber	40
	C. — CABLES.	
909	Cables for the transmission of electrical current, fitted for laying underground or under water owing to their protective metal wrappings in the form of casing made of strips, wire, webbing, or similar materials	
	I. *Underground cables.*	
	II. *Submarine cables*	60
	1. Gutta-percha insulation :	
	(*a*) Shore-end cables	50
	(*b*) Intermediate cables	55
	(*c*) Deep sea cables	65
	2. Cables with paper insulation	60
	D. — ELECTRODES FOR ELECTRIC FURNACES.	
ex 648 *b*	Electrodes containing more than 97 % of pure carbon	80
	Other electrodes	65

CATEGORY D.

CHEMICAL PRODUCTS, ARTIFICIAL FERTILIZERS, TANNING PRODUCTS.

SUB-HEADINGS.

	GERMAN CUSTOMS Schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
A. — Chemical products.		
Braunstein (oxide of manganese)	ex 237 *b*	75
Boric acid and borate of soda	275	40
Tartaric acid	279 *a*	60
Citric acid	279 *b*	70
Iodides	284	80
Copper sulphate	296	65
Oxide of lead	300	75
Oxide of tin	301	80
Nitrate of lead	ex 302	60
Schweinfurth green	ex 309	65
Sugar of lead	310	40
Cream of tartar	ex 311	70
Salts of antimony and tartar emetic	312	65
Tannin, tannin acid, gallic acid	317 *g*	70
Salts of gold	ex 317 *h*	95
Salts of silver	317 *q*	90
Salts of tin	317 *r*	80
Salts of bismuth	ex 317 *s*	65
Mercury compounds (sublimate, calomel, red oxide of mercury)	ex 317 *s*	75
Compounds of molybdenum and tungstic acid	ex 317 *s*	50
Rare mineral salts (thorium nitrate, cerium and tungsten salts)	ex 317 *s*	50
Red lead	324 *a*	75
White lead	324 *b*	65
Zinc white	326 *a*	70
Vermillion (cinnabar) sulphide of mercury	327	90
Chromium and copper pigments	332 *a* ex 332 *b*	70
Sulphur fuses	ex 370	60
B. — Artificial fertilizers.		
Bone meal	360	45
Basic slag	361	45
Phosphorous fertilizers	362	45
C. — Tanning materials.		
Wood or bark for tanning or dyeing (quebracho, sumac or others)	ex 91, ex 92, ex 93, ex 92	90
Tanning extracts (sumac, quebracho)	384 *b*, *c*	80

CATEGORY D.

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE OF RAW materials of foreign origin.
	A. — CHEMICAL PRODUCTS.	
ex 237 *h*	Braunstein (oxide of manganese)	75
275	Boric acid and borax (borate of soda)	40
279 *a*	Tartaric acid, powder or otherwise	60
279 *b*	Citric acid	70
284	Iodides of potassium, sodium, and ammonium; and iodoform	80
296	Copper sulphate (blue vitriol, blue stone), sesquioxide of copper, mixed copper and iron sulphate (Admonter vitriol, Salzburg vitriol)	65
300	Oxide of lead (yellow litharge, silver and red litharge, gold litharge), in fragments, flakes or powder	75
301	Oxide of tin (anhydride of stannic acid), stannic acid (hydrate of oxide of tin)	80
ex 302	Nitrate of lead	60
ex 309	Schweinfurth green (aceto-arsenite of copper)	65
310	Sugar of lead (acetate of lead) and vinegar of lead (sub-acetate of lead)	40
ex 311	Refined tartar (raffiniert cremor tartari, cream of tartar), tartarate of soda	70
312	Tartar emetic and other antimony preparations	65
317 *g*	Tannic acid (tannin), gallic acid	70
ex 317 *g*	Chloride of gold, chloride of gold and sodium (salt of gold) and other salts and compounds of gold (bright gold)	95
317 *q*	Salts and compounds of silver with other metalloids not elsewhere mentioned, for example, the bromide, chromate and nitrate	90
317 *r*	Salts of tin and other compounds of tin not elsewhere mentioned	80
317 *s*	Salts of bismuth	65
	Mercury compounds (sublimate, calomel, oxide of mercury)	75
	Compounds of molybdenum	50
	Tungstic acid	50
	Incandescent salts, rare salts (nitrate of thorium, nitrate of cerium, and tungsten salts)	50
324 *a*	Minium of lead (red-lead, Paris lead, red oxide of lead, cinnabar of lead)	75
324 *b*	White lead (basic carbonate of lead) Kremser white, pearl white, Schiefer's white	65
326 *a*	White oxide of zinc (zinc white, zinc dust)	70
327	Cinnabar (red sulphide of mercury) [vermillion]	90
332 *a*	Chromium pigments	70
ex 332 *b*	Copper pigments	70
ex 370	Sulphur fuses, mine fuses of all kinds	60

CATEGORY D. (Continued.)

DETAILS.

GERMAN customs Schedule N°	COMMODITIES.	PERCENTAGE OF RAW materials of foreign origin.
	B. — Artificial fertilizers.	
380	Bone meal, bone waste, broken bone	45
381	Basic slag (in powder)	45
382	Phosphoreous fertilizers treated with acids (super phosphates), also mixed with other dutiable products with a view to use as fertilizers	45
	Bone meal treated with acids or mixed with other products	45
	C. — Tanning products.	
ex 91	Blue, yellow, red and other dyewoods, whether or not ground, grated or otherwise reduced	90
ex 92 a, b, c	Tanning bark, ground or not, oak bark, bark of resinous timber, mimosa bark, mangrove bark, Malette bark and other tanning barks	90
ex 93 a, b	Quebracho and other tanning woods, ground, grated or otherwise reduced	90
ex 94	Algaroba (extract of inga), bablah, dividivi, and other tanning materials not mentioned elsewhere, ground or not; kino, acorn cups, valonia nuts, ground or not; gall-nuts, ground or not; myrobalans, ground or not; sumac, ground or not; purified brown and yellow catechu (gambier)	90
384 b	Pure extracts of gall-nuts for tanning, unmixed with other liquid or solid matters, pure extracts of sumac, unmixed with other liquid or solid matters, and other tanning products not elsewhere mentioned, liquid or solid	80
384 c	Extracts of quebracho, liquid or solid	80

CATEGORY E.

PRODUCTS OF THE OIL AND FAT INDUSTRY, MINERAL OILS, BENZINE, WAX, FISH OIL, MEDICINAL BARKS AND PLANTS.

SUB-HEADINGS.

	GERMAN CUSTOMS Schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
A. — Products of the oil and fat industry.		
Colza and rape-seed oil	166 *a*	80
Linseed oil	166 *b*	80
Bean oil (exclusive of oil made from olive pomace, oils extracted by carbon sulphide, and wood oils)	ex 166 *c*	80
Oil made from olive pomace, oils extracted by carbon, bi-sulphide, and wood oils)	ex 166 *c*	85
Peanut oil	ex 166 *d*	75
Sesame oil	ex 166 *d*	80
Olive oil	166 *f*	85
The above oils in containers other than barrels	167	(see above percentages)
Cocoa butter	168	80
Nutmeg butter, bayberry oil	169	80
Cotton-seed margarine	170	85
Palm-seed oil	171 *b*	85
Coco butter and oil	171 *c*	80
Mowrah oil and butter, shea and other butters	171 *d*	80
Oleine and oil residue	172	70
Vegetable butter	ex 205 *b*	80
Stearic, palmitic, margaric and other acids	250 *a*	65
Soaps, liquid soaps, etc	254–255	50
Other products similar to soap, special soaps	256	60
Glycerine	257 *a* and *b*	40
Paraffin, vaseline and lanoline ointments	258	40
Other ointments	260	65
Oil varnish	341	75
Lacquer varnish and lacquers	343	50
B. — Mineral oils. — Benzine.		
Mineral lubricating oils, heavy crude benzine, gas oil, benzine gasoline, etc	239 *a*, *f*, *g*	90
C. — Miscellaneous waxes.		
Beeswax and other insect wax, unprepared	ex 141	95
Vegetable wax and bleached beeswax	ex 247 *a* and *b*	95
D. — Fish oils.		
Lard and fish oils, whale oil, etc	ex 131	5
E. — Medicinal barks and plants.		
Quinine bark and other products, in so far as they cannot be delivered under Annex VI to the Regulations	72 *a*, *b*, *c*	90

CATEGORY E.

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	A. — PRODUCTS OF THE OIL AND FAT INDUSTRY.	
1	Colza and rape-seed oil (in barrels)	80
166 *b*	Linseed oil and its substitutes (in barrels)	80
166 *c*	Bean oil, cottonseed oil, rendered unfit for consumption (denatured) under the supervision of the customs, castor oil (denatured), beech-nut oil, neat's foot oil, bone oil, maize oil, poppy-oil, Niger oil, sunflower oil, oleine and other heavy oils in barrels	80
	Soya bean oil and other bean oils (lavatöl), oils extracted by carbon bi-sulphide, wood oil	85
166 *d*	Peanut oil	75
	Sesame oil, natural or denatured under the supervision of the customs	80
166 *f*	Olive oil, natural or denatured under the supervision of the customs	85
167	Peanut oil in tin containers and containers other than barrels	75
	Sesame oil in tin containers and containers other than barrels	80
	Rape-seed oil and other thick oils in tin containers and containers other than barrels	80
	Olive oil in tin containers and containers other than barrels	85
	Bean oil (see 166*c*) in tin containers and containers other than barrels	80 and 85
168	Cocoa-butter (oil)	80
169	Nutmeg butter (balm) laurel oil of consistency of butter	80
170	Stearine of cottonseed oil (171 *a*/*b* unfit for consumption (cottonseed margarine)	85
171 *b*	Palmetto oil, palmetto-nut oil unfit for consumption	85
171 *c*	Cocoanut oil (cocoanut butter, cocoanut tallow unfit for consumption)	80
171 *d*	Mowrah oil and butter (shea butter), bassia butter, vateria oil and other vegetable oils and fats unfit for consumption	80
172	Oleine and oil residue	70
205 *b*	Vegetable fats unfit for consumption (cocoanut oil, refined cocoanut oil, refined cocoanut butter), etc.	8
250 *a*	Stearic acid (stearine), palmitic acid (palmitine), margaric acid, and other similar materials for the manufacture of candles, not elsewhere designated, crude or refined	65
254	Common soft soap (potash soap, soap in vats); liquid silicate soap; liquid oils and fats saponified by alkalis; red oil Turkey; liquid creolin and similar liquid substances for disinfection, cleaning, etc.; mixtures of soap and water for preliminary processes or similar uses; soap substitutes; all these commodities in barrels or other large containers	50
255	Hard soap (except tooth soap), solid creolin and similar solid substances for disinfection, cleaning, etc., washing powder known as "Phœnix lye", soap substitutes; all these articles in so far as they are designated under n° 256	50
256	Articles of the kind designated under n^{os} 254 and 255, prepared ready for use (pressed or moulded) or in boxes, bottles, jugs, stone bottles, pots or similar containers; liquid soaps, except those given under n° 254; soap powder; soft soaps, fine, soap sheets (paper), almond husks mixed with soap; soap moulded in various shapes; soap substitutes not elsewhere designated	60
257 *a*	Crude glycerine	40
257 *b*	Refined glycerine	40
258	Paraffin ointment, vaseline and vaseline ointment (unscented), lanoline and products with lanoline base	40
260	Lubricating materials, except cart-grease (n° 259), made from oils or from liquid or solid fats, including moulded fats	65
341	Oil varnish, including that mixed with siccatives; residue from the manufacture of varnish; linseed oil thickened by exposure to the air, glue made of condensed linseed oil	75

CATEGORY E. (Continued.)

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	A. — Products of the oil and fat industry. (Continued.)	
343	Lacquer varnish, lacquers, prepared without spirits of wine (solutions of resin in turpentine, mineral oil, oil of resin, oil varnish, acetone, alkalis or other solvents), including those containing colouring matters; asphalt lacquers (solutions of asphalt or similar matters in mineral oil or turpentine and solution of asphalt or coal pitch in coal tar oil or wood tar oil); encaustic for harness (solution of colouring matters or of wax); zapon (solution of collodion wool in amylacetate)	50
	B. — Mineral oils. — Benzine.	
239 *a*	Mineral oils for lubrication, in particular lubricating oil, paraffin oil, vaseline and Vulcan oil	90
239 *f*	Crude benzine (made in Germany)	90
239 *g*	Benzine, gasoline, rectified naphtha, petroleum ether and other light refined mineral oils	90
	C. — Miscellaneous waxes.	
ex 141	Beeswax and other insect wax, unprepared	95
ex 247 *a*	Beeswax and other insect wax (prepared, bleached, coloured, moulded in cakes or balls, etc.), including that mixed with other matters; candle ends	95
247 *b*	Vegetable wax, Carnauba wax, Japan wax, etc., bleached, coloured, moulded in cakes or balls, etc., including that mixed with other matters; grafting wax; waste of vegetable wax	95
	D. — Fish oils.	
ex 131	Fish oil, whale oil, dogfish oil, purified or oxidized, including that in bottles or similar containers; whale blubber and other fats treated like whale blubber with fish oil and whalebone oil	95
	E. — Medicinal barks and plants.	
ex 72 *a*	Cinchona bark, whether or not ground or otherwise prepared (in so far as it is not included in Annex 6 to Part VIII of the Treaty. — Annex VI to the Regulations)	90
ex 72 *b*	Dried rhubarb root, whether or not ground or otherwise prepared (in so far as it is not included in Annex 6 to Part VIII of the Treaty. — Annex VI to the Regulations)	90
ex 72 *c*	Wild thyme, Iceland moss and other lichens, tamarind, and tamarind pulp; cassia fistula, berries, leaves, flowers, inflorescence, petals, buds, herbs, nuts, barks, hulls, seeds, roots and other plants or parts of plants not elsewhere designated, for medicinal use, whether or not salted, air or kiln dried, roasted, hulled, ground or otherwise prepared, woods for medicinal use including that cut in piece; insecticides in the form of dried and pulverised flowers (in so far as they are not included in Annex 6 to Part VIII of the Treaty. — Annex VI to the Regulations)	90

CATEGORY F.

RUBBER. — CORK ARTICLES. — ASBESTOS ARTICLES.

SUB-HEADINGS.

	GERMAN CUSTOMS schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
A. — Rubber.		
Rubber solution	570	60
Regenerated rubber and soft paste	571	60
Rubber sheets and slabs	572	60
Elastic thread	573	60
Motor car inner tubes	574 *a*,	45
Cycle inner tubes	574 *b*,	40
Rubber tubing and pipes	574 *c*,	35
Rubberised belting	575	50
Rubberised tarpaulins	576	50
Rubber footwear	577	45
Solid tyres without iron band	578 *a*,	40
Motor tyres	578 *b*,	50
Tyres for other vehicles	578 *c*,	50
Other rubber goods	579 *a*,	60
Rubber unions and packing	579 *b*,	35
Elastic webbing	580	40
Rubberised cloth for printing and carding machines	581	60
Hard rubber for dentistry	583	35
Hard rubber	584	35
Hard rubber tubing	585	35
Other hard rubber goods	586	35
B. — Cork.		
Cork dust or waste	635	55
Cork slabs unstripped	636	55
Cork slabs stripped	637	55
Cork goods	638 *a, b, c.*	55
C. — Asbestos.		
Arbestos paper and boarding in sheets, rolls or slabs	705	45
Asbestos thread and tape	706	55
Asbestos fabric	707	55
Other asbestos goods (Klingerite)	708	55

CATEGORY F.

RUBBER. — CORK ARTICLES. — ASBESTOS ARTICLES.

DETAILS.

GERMAN CUSTOMS schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	A. — Rubber.	
570	Rubber, dissolved, with or without admixture of resin	60
571	Soft rubber paste, including paste dyed or mixed with asbestos fibre, graphite or other materials; rolled sheets of this paste; cuttings and strips not made up; rubber sheets with wire or wirework rolled in (none of these articles being vulcanised); gutta-percha paper and regenerated rubber	60
572	Cut sheets (patent sheets) of crude rubber, refined, dyed, or mixed with sulphur and other materials, non-vulcanised, also cuttings and strips of the same, but not made up	60
573	Elastic thread, drawn or cut, including elastic covered by winding or plaiting with textile materials	60
574 *a.*	Rubber tubing and inner tubes for the tyres of motor vehicles for the transport of passengers and freight	45
574 *b.*	Rubber tubing and inner tubes for tyres of other vehicles, bicycles, etc.	40
574 *c.*	Rubber tubing for the stems of artificial flowers, other rubber tubing; rubber tubing lined with vegetable textile materials; tubing in textile vegetable materials rubberised or covered with rubber or joined together by layers of rubber at intervals; rubber tubing surrounded with material by the process of plaiting, spinning or winding; all these articles (except those used for the stalks of artificial flowers) combined with base metals or alloys of base metals	35
575	Transmission belts of rubberised textiles or textiles covered with rubber or lined with rubber or joined together by layers of rubber; rubber transmission belts lined with textiles or having layers of textiles at intervals	50
576	Tarpaulin articles, made of coarse rubberised textiles or textiles covered with rubber or joined together by layers of rubber at intervals	50
577	Rubber footwear, including that having soles of other materials (rubberised shoes, rubber shoes)	45
578 *a.*	Solid rubber tyres for wheels of vehicles without iron band	40
578 *b.*	Outer coverings for inner tubes of vehicles of rubberised textiles or textiles covered with rubber or joined together by layers of rubber at intervals, including those made of leather or combined with base metals, and intended for motor cars	50
578 *c.*	Outer coverings for inner tubes intended for other vehicles	50
579 *a.*	Articles not mentioned elsewhere, of soft rubber (including vulcanised) or covered wholly or in part with rubber (unless they are included under some other number on account of being combined with other materials) whether lacquered, dyed, printed or covered with stamped designs; rubber flooring, whether or not lined with textile work or felt; rubber slabs with textile work or felt applied or inserted by rolling; iron rollers covered with rubber	60
579 *b.*	Piston packing, packing for oakum boxes and ropes of packing in coarse textile work, thread work or felt combined with rubber or stearic acid, talc, tallow or asbestos, and all other piston packing and packing rope of a similar kind (in so far as they are not included under other numbers on account of their admixture with other products)	35

CATEGORY F. (Continued.)

DETAILS.

GERMAN CUSTOMS schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
580	Textile work or felt, rubberised or covered with rubber or joined together by layers of rubber at intervals; textile goods containing rubber threads; cloth of rubber thread combined with other thread; rubber articles covered with textile work or felt or surrounded with textile work wholly or in part of silk or other textiles	40
581	Printed rubber sheets for factories and carding sheets for carding factories	60
583	Hardened non-vulcanised rubber paste for dentistry, including paste mixed with colour, metal powder or other materials	35
584	Hard rubber (slabs of horn rubber) in slabs or bars, including rubber cut up but not otherwise worked; roughly shaped hard rubber in which the form of the object is recognisable, but still with rough edges and therefore requiring further finishing; slabs of hard rubber not worked, with a lining of textile work or paper	35
585	Hard rubber tubing without further working	35
586	Other hard rubber wares, including those combined with other material, unless this combination has caused them to be mentioned under other numbers (for instance surgical instruments No 891)	35
	B. — Cork and Cork Wares.	
635	Cork in small pieces, or pulverised	55
636	Slabs, bands and cubes cut up, with bark, bark bands; squares, bricks, pipes and parts of pipes, cork waste; cork fenders for ships	55
637	Cut slabs, bands and cubes of cork, without bark; cork disks	55
	(638 a/c cork articles, including artificial cork [with the exception of hats] or cork combined with other materials unless this combination has caused them to be entered under other numbers).	
638 a.	Cork paper	55
638 b.	Cork stoppers	55
638 c.	Other cork articles except hats	55
	C. — Asbestos Wares.	
705	Asbestos paper and board, in sheets, rolls or slabs, including paper containing thread or cloth made of base metals or their alloys and not shaped (not cut, or cut only into rectangles); shaped, including perforated asbestos, sheets of asbestos cement (sheets and tiles of asbestos cement)	45
706	Thread, cord, wire, rope and string made of asbestos, including that combined with other textile materials or having a nucleus of base metal (except packing rope)	55
707	Asbestos fabrics (except the rubberised asbestos fabrics mentioned in No. 708) also asbestos fabrics combined with other textile materials, or with a warp or weft of common metal thread or thread of a base metal alloy; also asbestos sheets (sheets of asbestos cloth)	55
708	Klingerite, boiler covers, asbestos fastenings and wads and other asbestos articles not named elsewhere; asbestos paper or cloth [rubberised asbestos fabrics, gloves, clothing, masks, helmets, sleeves (pipes), shoes of asbestos cloth] all such articles, even when combined with other materials, unless owing to this combination they are mentioned under another number	55

CATEGORY G. (Continued.)

SILK, WOOL, COTTON, OTHER VEGETABLE TEXTILE MATERIALS.

SUB-HEADINGS.

	GERMAN CUSTOMS schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
A. Silk (Exclusive of artificial silk).		
I. — *Raw unprepared silk*	392-393-397	95
II. — *Silk thread :*		
Yarn, including yarn for silk bourette	398 *a, b, c, d*	85
Thread prepared for the retail trade	ex-399	80
Raw silk and spun floss silk	ex-400	85
III. — *Articles wholly or partially made of silk :*		
Closely woven materials	401	50
Velvet, plush for upholstery or hangings	ex-402, ex-403 ex-404, ex-405	
In the piece, to be sold by the metre	.....	50
Partially made up	.....	45
Light fabrics :		
Tulle, etamine	406, 407	45
Crepe and similar materials in silk	ex-408	50
In silk gauze	ex-408	45
Knitted or net goods :		
Gloves	ex-409 *a*	50
Nets, hose	ex-409 *b*	45
Knitted goods in the piece, to be sold by the metre	ex-409 *b*	50
The same, made up	ex-409 *b*	40
Laces and embroideries :		
Machine-embroidered fabrics and machine-made lace	ex-410, ex-411	35
Sparterie goods :		
Articles made by lace trade	ex-412 *a*	40
Cord, braid, girdles	ex-412 *a*	55
Articles made by button manufacturers	ex-412 *b*	35
Ready-made clothing :		
Ready-made clothing, lingerie	517	30
B. Wool and other animal textiles.		
I. — *Raw wool and other animal textile material*	144 *a, b, c*, ex-145 *a*	95
The same boiled, dressed, bleached, dyed, carded, combed, including curled or milled	ex-145 *b, c*, ex-146 413 *a, b, c, d, e, f, g*, 415, 416, 515 *a, b*	85
Boiled hair for articles made by hairdressers	ex-520 and 520	85
II. — *Yarn of wool and other animal textile materials :*		
Raw, including bleached, dyed, printed	417, 418, 419, 422, 423, 424, 425	65
The same prepared for the retail trade	426	60
III. — *Goods wholly or partially composed of wool and other animal textile materials.*		
Closely woven fabrics :		
Carpets	427	
In the piece to be sold by the metre	.....	45
Cut	.....	40

CATEGORY G. (Continued.)

SUB-HEADINGS.

	GERMAN CUSTOMS schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
B. Wool and other animal textiles. (Continued.)		
Carpets, knotted and woven	428 *a*, *b*	55
Closely woven fabrics for upholstery and hangings, velvet, plush :		
In the piece, to be sold by the metre	429, ex-431	45
Partially made up	430, ex-431	40
Felts for presses, etc. :		
In the piece, to be sold by the metre	ex-432	45
Partially made up	ex-432	40
Knitted or net goods :		
Knitted fabrics in the piece, to be sold by the metre	433	45
Underwear, frame-cut or frame-knit	434 *a*	45
The same, machine-made or otherwise	434 *b*	35
Gloves	ex-435 *a*	35
Nets, hose	ex-435 *b*	40
Other knitted or net goods	ex-435 *b*	45
Light fabrics (loosely woven) :		
Tulle	ex-436	35
Lace :		
Machine-made lace	ex 436	30
Sparterie goods :		
Articles made by lace trade	437	35
Articles made by button manufacturers	ex-437	35
Braid and girdles	ex-437	50
Unsewn goods in wool and other animal textile materials :		
Felts, carpets in animal textiles including mixture of wool, seamless	513	45
Hat shapes and other articles in wool and other animal textile materials, seamless	514 *a*, *b*	45
Horsehair goods :		
Horsehair goods	ex-516	
In the piece, to be sold by the metre	.....	45
Partially made up	.....	40
Horsehair tubing	ex-516	40
Horsehair nets	ex-516	40
Braid and sieves (horsehair)	ex-516	30
Other finished horsehair goods	ex-516	25
Rope, string (horsehair)	ex-516	50
Machine-made lace (horsehair)	ex-516	30
Ready-made clothing :		
Ready-made clothing, lingerie	518	25
Hairnets :		
Nets made from real or imitation hair	530 *a*, *b*	40
Hats :		
Felt hats	537, 538, 539	
Untrimmed	.....	40
Trimmed	.....	30
Hat shapes	540	40

CATEGORY G. (Continued.)

SUB HEADINGS.

	GERMAN CUSTOMS schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
C. — Cotton.		
I. — *Raw cotton, unprepared.*		
Raw	Ex 438 *a*	95
Same combed or carded including cotton waste	Ex 438 *a*, 438 *b*	85
II. — *Cotton yarn.*		
Raw	439–440–441–442–443	65
Prepared for retail trade	444 *a* and *b*	60
III. — *Articles wholly or partially cotton. — Closely woven fabrics.*		
Closely woven fabrics, velvet, plush and other materials for upholstery and hangings	447, 448	
In the piece, to be sold by the metre	445, 446	45
Cut	.....	40
Cotton felt	449	45
Light fabrics.		
Fabrics for tulle curtains	450–451–452	35
Fabrics other than the above	453 *a*	
In the piece, to be sold by the metre	.....	45
Cut	.....	40
Fabrics : feather-stitch and others	453 *b*, *c* 454 *a*, *b* 455 *a*, *b* 456 *a*, *b* 457 *a*, *b*.	45
Knitted or net fabrics.		
Knitted fabrics	458	45
Goods in knitted fabrics.		
Gloves, stockings, socks, underwear	459–460 *a*, *b*	
Machine knitted fabrics	.....	45
Made up	.....	35
Fishing nets	Ex 461	40
Nets for fowlers	462	40
Other knitted fabrics	Ex 463	
Machine-knitted	.....	45
Made up	.....	35
Fabrics for incandescent mantles.		
Fabrics for incandescent mantles including that combined with base metals	Ex 463	35
Lace. — Embroidery.		
Machine-made lace and embroidery	Ex 464 *a*, *b*. 465 *a*, *b*, *c*.	30
Miscellaneous.		
Rope, cord, string	466–ex. 469	50
Tubing, webbing	467 *a*	40
Transmission belts	467 *b*	40
Lamp wicks	468	40
"Sparterie" goods.		
Articles made by lace trade	Ex 469	35
Articles made by button manufacturers	Ex 469	35
Ready-made clothing. — Lingerie.		
Ready-made clothing, lingerie	519	25

CATEGORY G. (Continued.)

SUB-HEADINGS.

	GERMAN CUSTOMS schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
D. — OTHER VEGETABLE TEXTILE MATERIALS.		
I. — *Other vegetable textile materials (flax, ramie, jute, hemp, etc.)*		
Raw, unprepared	Ex 470 *a*, *b*, *c*, 471	95
Same, carded or combed	Ex 470 *a*, *b*, *c*, 471	85
II. — *Thread in other vegetable textile materials (flax, ramie, jute, hemp, etc.).*		
Miscellaneous yarns, including bleached	472 *a* to *k*.	65
Dyed, printed	473–474–475 *a*, *b*, *c*, 476–477 *a*, *b*, *c* 478, 481 *a*, *b*, 482	65
Same prepared for the retail trade	483 *a*, *b*	60
Rope, cordage, twine	484	50
III. — *Goods wholly or partially composed of other vegetable textile threads.*		
Closely woven fabrics :		
Buckets, webbing, nets, hammocks	485 *a*	40
Carpets	487	
In the piece to be sold by the metre		45
Partially made up		40
Handkerchiefs	Ex. 488, 489	
In the piece to be sold by the metre		45
Partially made up		40
Closely woven fabrics including those for upholstery and hangings : velvet, plush, including bleached, dyed, printed, woven in colours	490–491–492–493 494–495–496 *a*, *b* 497–498 *a*.	
In the piece to be sold by the metre		45
Partially made up		40
Light fabrics.		
Gauze, tulle and similar fabrics	499	35
Knitted or net fabrics.		
Knitted fabrics, in the piece, to be sold by the metre	Ex 500 *a*	45
Goods in knitted fabrics	Ex 500 *a*	
Machine-made		45
Not machine-made		35
Lace, embroideries.		
Machine-made lace and embroidery	Ex. 501	30
"Sparterie goods".		
Articles made by lace trade	Ex 502	35
Lamp wicks	Ex 502	40
Cord, braid	Ex 502	50
Articles made by button manufacturers	Ex 502	35
Ready-made clothing, lingerie.		
Ready-made clothing, lingerie	520 to 522	25
Bookbinder's and tracing-cloth, waterproof tissues, tissues covered with abrasive or polishing substances, linoleum and similar materials.		
Bookbinder's cloth	503	45
Oil-cloth and waterproof cloth (not rubberised)	504–505 *a*, *b* 506	45
Emery and similar paper	507	45
Floor covering, linoleum linecrusta	508 *a*, *b*, 509–510	45
Cotton-wool	511–512	75
Incandescent mantles.		
In fabrics other than silk	371 ex 500 *b*	
In silk	Ex 500 *b*	

CATEGORY G. (Continued.)

SILK, WOOL, COTTON, OTHER VEGETABLE TEXTILE MATERIALS.

DETAILS.

GERMAN CUSTOMS schedule No.	COMMODITY.	PERCENTAGE of RAW MATERIALS of foreign origin.
	A. — Silk. (Exclusive of artifical silk.)	
	I. — *Raw unprepared silk.*	
392 *a*	Raw silk, dyed, including white, silk from mulberry-tree silkworms	95
392 *b*	Silk of the oak-eggar. Tussore silk, etc.	95
393	Raw silk, combined with other threads, dyed or undyed	95
397	Floss-silk, combed (silk waste)	95
	II. — *Silk yarn.*	
398 *a*	Silk twist (floss-silk) one end, undyed	85
398 *b*	Same, with several ends	85
398 *c*	Floss-silk twist, dyed (including white) floss-silk twist combined with other textile materials or threads	85
398 *d*	Silk bourrette yarn	85
ex 399	Silk twist of all kinds, even if mixed with other textile materials or yarns, dyed or not, made up for the retail trade, in raw silk or floss	80
ex 400	Raw silk and yarn of floss silk, even if mixed with other textile materials or yarns, in combination (but not wound round) with metal threads (wire or tinsel)	85
	III. — *Wares composed wholly or partly of silk (raw silk, floss).*	
	Closely woven fabrics.	
401	Closely woven fabrics unfigured (without designs) of the nature of taffeta, entirely of silk of the mulberry-tree silkworm without any admixture of artificial silk, floss silk or of silk of the oak-eggar, and woven with firm edges on each side, raw, even if boiled (bleached) and calendered (pongee).	50
ex 402	Closely woven fabrics for upholstery and hangings (except velvet, plush and tissues of the nature of velvet and plush): Wholly of silk, in the piece to be sold by the metre	50
	partially made up	45
ex 403	Same: partially of silk, in the piece to be sold by the metre	50
	partially made up	45
ex 404 *a*	Velvet and plush, fabrics of the nature of velvet or plush, cut or uncut, ribbons wholly of silk	50
ex 404 *b*	Same: mixed with other fabrics	50
ex 404 *c*	Same: partially of silk-ribbons	50
ex 404 *d*	Same: partially of silk mixed with other fabrics	50
ex 404 *a* to *d*	Same: partially made up	45
ex 405 *a*	Closely woven fabrics not elsewhere designated, wholly of silk-ribbons	50
405 *b*	Same: mixed with other fabrics	50
405 *c*	Same: partially of silk-ribbons	50
ex 405 *d*	Same: partially of silk, mixed with other fabrics	50
ex 405 *a* to *d*	Same: partially made up	45
	Open-woven fabrics, light.	
406	Tulle, wholly or partially of silk	45
407	Etamine, bolting cloth, wholly or partially of silk	45
ex 408	Crape, crepons and similar fabrics, light, open-woven, except tulle, etamine (bolting cloth), lace fabrics and laces wholly or partially of:	
	silk	50
	gauze	45
	Knitted and netted fabrics.	
ex 409 *a*	Gloves wholly or partly of silk	50

CATEGORY G. (Continued.)

DETAILS.

GERMAN CUSTOMS schedule No.	COMMODITY.	PERCENTAGE of RAW MATERIALS of foreign origin.
ex 409 *b*	Knitted or netted fabrics wholly or partly in silk :	
	in the piece, to be sold by the metre	50
	otherwise made up	40
	Nets, tubing and other similar woven fabrics and netted wares	45
	Lace and embroideries.	
ex 410	Lace tissues and lace of all kinds, including lace insertions, blonde lace and cut out articles of lace or lace tissues, with or without wavy or scalloped edges, wholly or partly in silk, embroidered, woven and others, all these wares machine-made, with the exception of those made by hand	35
ex 411	Embroideries on materials wholly or partly of silk, all these wares machine-made, with the exception of those made by hand	35
	Sparterie goods.	
ex 412 *a*	Articles made by lace trade (trimmings, ribbons and similar goods) including articles made in the same way as so-called cotton "sparterie", wholly or partly of silk chenille	40
	Braid, cord, laces and similar wares	55
ex 412 *b*	Buttonmakers' wares, in silk, with or without enclosure of wood, bone, horn, leather, metal or similar materials	35
	Clothing. — Lingerie.	
517	Silk clothing (including coats, blouses, etc.) underwear (unless included in No 409 *b*) articles of dress and other sewn articles. All the other articles of silk not mentioned above forming part of Section 5 of the Statistiches Warenverzeichnis	30
	NOTE : Raw silk (No 391) uncombed floss-silk (396) are to be considered as goods of foreign origin under Annex I, List A, Group 1 *a*) of the Regulations and are therefore excluded from deliveries.	
	B. — WOOL AND OTHER ANIMAL TEXTILE MATERIALS.	
	I. — *Wool and other raw, unprepared animal textile materials.*	
144 *a, b, c*	Sheep's wool and skin-wool, raw, as well as waste. Wool in the grease, wool washed before shearing. Wool washed after shearing by machinery or by hand	95
ex 145 *a*	Hair of the vicuna, camel, goat, domestic or otherwise	95
ex 145 *b*	Hair of the hare (including bristles), rabbit, beaver, monkey, musk-rat, nutria, boiled (for fabrics)	95
	for brushes and braids	85
ex 145 *c*	Hair of cattle, deer, dogs, swine and other similar coarse hair boiled, for fabrics	95
	same for brushes and braids	85
ex 146	Horsehair (mane and tail), boiled. for fabrics	95
	same for brushes and braids	85
413 *a, b, c*	Wool and other animal textile materials (excluding those given under No 413 *d, e*), combed, bleached, including curled or milled	85
413 *d*	Hair of hare, Angora rabbit and common rabbit, beaver, monkey, musk-rat and nutria, prepared in some way, as for example, steeped	85
413 *e*	Hair of cattle, deer, dogs, swine and other similar coarse animal hair, prepared in any way	85
413 *f*	Combed wool	85
413 *g*	Waste of categories of hair given under Nos 413 *d, a, c*. Wool waste bleached or dyed, carded or woven, including end of combed wool, broken off in the weaving, waste resulting from weaving twisting or cutting (wool flock, waste from cloth)	85
415	Curled animal hair (Krollhaar), cattle, swine or other coarse animal hair, including mixed with other animal hair or vegetable fibrous materials	85

CATEGORY G. (Continued.)

DETAILS.

GERMAN CUSTOMS schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
416	Wool and other animal hair not elsewhere designated, carded or combed, except artificial wool and curled hair, given under Nos 414 and 415	85
515 *a*	Horse hair (from mane or tail), prepared, combed, drawn, bleached or dyed; also waste	85
515 *b*	Curled horse hair, mixed or not with other animal hair or vegetable fibre ..	85
ex 528 and 529	Human hair, boiled, dyed, combed, spun or curled, entangled hair, not capable of being used by wig-makers or for other kinds of hair manufactures	85
	II. — *Yarns of wool and other textile materials of animal origin.*	
417	Yarn of the hair of cattle, deer, dog, swine or other coarse animal hair, mixed or not with other textile materials or yarns, animal or vegetable, except silk or cotton, single or double, unbleached, bleached, dyed or printed	65
418	Genappe (Ispahan), mohair and alpaca yarn, mixed or not with other animal or vegetable textile materials or yarns except silk and cotton	
	Bleached, single, mohair yarn	65
	Bleached, single or double, alpaca, camel hair, cashmere yarn	65
419	Same, bleached, dyed or printed	65
422 *a* to *d*	Yarn of wool or other animal hair, mixed or not with vegetable textile materials or yarns, except cotton, not included under Nos 417-419, combed, unbleached, single or double	65
423 *a* to *d*	Same: bleached, dyed, printed, single or double	65
424	Yarn made of wool carded, unbleached, including artificial wool (grisaille).	65
425	Yarn made of wool carded, bleached, dyed, printed	65
426	Yarn of all kinds, of wool and other animal hair, mixed or not with vegetable textile materials or yarns, except cotton, made up for retail trade...	60
	III. — *Articles wholly or partly made of wool and other animal textile materials.*	
	Close-woven fabrics.	
427/8	Wares of spun wool or other animal hair, mixed or not with vegetable textile materials or yarns.	
ex 427	Carpets in the piece, to be sold by the metre, cut, whether printed or not, dyed or not, of yarn of cattle, dogs, swine, or of similar coarse animal hair mixed or not with jute, Manilla hemp, aloe fibre, pine-apple fibre or cocoanut fibre (coir), without regard to the conditions of mixing, and also mixed with other vegetable textile materials, provided that the animal hair yarn predominates; also carpets of plaited cloth list, in the piece to be sold by the metre	45
ex 427	Same, cut	40
ex 428 *a*	Knotted carpets, in wool	55
428 *b*	Woven carpets	55
429	Close-woven tissues for upholstery and hangings (excluding velvet, plush and tissues similar to velvet and plush), dyed, printed or woven in colours); in the piece to be sold by the metre	45
430	Same, cut (curtains, hangings, coverings, etc.), with or without edgings or fringes, partially made up	40
ex 431	Velvet and plush and similar tissues (with cut or uncut pile), made up or not, figured or not in the piece, to be sold by the metre	45
ex 431	Same cut	40
ex 432	Tissues not included under Nos. 427 to 431. Press-cloths, webbing, disks and plates in goats' hair yarn or other similar coarse animal hair for pres-	

CATEGORY G. (Continued.)

DETAILS.

GERMAN customs schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	sing oil or fats; stiff materials, raw felts, endless woven for the manufacture of wood pulp (cellulose) straw or paper pulp, in the piece, to be sold by the metre	45
ex 432	Same, partially made up	40
	Knitted or netted stuffs.	
433	Knitted stuffs (tricot) or netted stuffs: in the piece, to be sold by the metre	45
434–435	Knitted fabric wares:	
434 *a*	Underclothing, cut or shaped by machine	45
434 *b*	Same: entirely machine made	35
ex 435 *a*	Gloves	35
ex 435 *b*	Knitted or netted fabric wares, except tubing and netting otherwise made up	45
	Tubing, nets and similar wares of knitted fabric	40
	Light fabrics (open-woven).	
ex 436	Tulle	35
ex 436	Lace fabrics and lace of all kinds, including insertions, blond laces, cut-out articles of lace or lace fabrics, with or without wavy or scalloped edges (exclusive of handmade lace and embroidery)	30
	«Sparterie» wares.	
ex 437	Lace makers' wares (trimming, ribbons and similar wares), wares known as cotton «sparterie», also wares of animal hairs, mixed or not with other woven wares of vegetable origin, chenille	35
	Button-makers' wares, of wool with or without enclosure or foundation of wood, bone, horn, leather, metal or similar materials	35
	Braids, cords, tapes, laces and the like	50
	Unsewn wares of wool or other animal hairs.	
513 and 514	Felt, felt carpets, cut out, and other felt wares, unsewn, excepts hats.	
513	Same: of cattle, deer, dog, swine or similar coarse animal hair, combined or not with vegetable textile materials, but without admixture of silk, wool or other animal hair	45
514 *a*	Hat bodies, not yet in hat form, of hair felt or wool felt	45
514 *b*	Articles of wool or hair other than those mentioned above, even combined with vegetable textile materials or with admixture of silk (except felt footwear)	45
	Horsehair articles.	
ex 516	Horsehair articles not elsewhere mentioned; press cloth; webbing, disks and slabs, for oil or grease presses, even combined with tow; weavers' healds, whether or not united to a reed by plaiting, knotting or netting; tissues, even mixed with other animal or vegetable textile materials or yarns, except silk, provided that the whole warp or weft consists of horsehair; ribbons, chains, sieve bottoms and similar braided wares:	
	In the piece, to be sold by measure, made up	45
	Partially made-up	40
	Flouncing, netting and similar wares	40
	Braids and sieves	30
	Other finished articles	25
	Cordage, rops or twine, of horsehair	50
	Horse hair lace (excluding handmade lace)	30
	Ready-made clothing, lingerie.	
518	Clothing (cloaks, blouses, corsages, etc.), underwear (unless included in Nos. 434 and 435), millinery and other sewn articles of spun ware or felt of wool or other animal hair, with or without admixture of vegetable textile materials	25
	Nets of human hair.	
530 *a* and *b*	Nets of human hair or imitation hair	40

CATEGORY G. (Continued.)

DETAILS.

GERMAN CUSTOMS schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	Hats :	
537	Men's felt hats (except glazed hats) of hair felt	40
538	Hats of woollen felt, untrimmed	40
	— trimmed	30
539	Ladies' hats of felt of all kinds :	
	Untrimmed	40
	Trimmed	30
540	Hat bodies of felt, completely or imperfectly shaped, of hair or wool	40
	C. — Cotton.	
	I. — *Raw cotton, not transformed :*	
ex 438 *a*	Dyed cotton, also milled, bleached cotton	95
	Same, combed or carded	85
438 *b*	Waste from carded and combed cotton, bleached or dyed, spun, woven or knitted	85
	II. — *Spun cotton :*	
439	Spun cotton, mixed or not with other vegetable textile materials or with yarn of vegetable origin or with textiles or yarn of animal origin, excepting silk.	65
	Wicks (coarse yarn round), twisted or otherwise, unbleached, bleached, dyed, printed, as well as lamp wicks neither woven nor plaited :	
440	Unbleached single yarn, even dressed or steamed	65
441	Bleached single yarn, dyed printed	65
442	Yarn of two or more strands, single twist, unbleached, even when prepared or steamed, bleached, dyed, printed	65
443	Yarn of two or more strands, cable twist	65
444 *a*	Cotton thread of all kinds, twisted, made up for retail sale, on wooden reels.	60
444 *b*	Same in balls, hanks or small balls	60
	III. — *Articles made wholly or partly of cotton :*	
	Close-woven tissues :	
	Manufactures of cotton yarn, mixed or not, with other vegetable textile materials or yarns or with horsehair, but not mixed with silk, wool, or other animal hair.	
445	Close woven tissues for furniture and upholstery (except velvet and plush and tissues similar to velvet and plush) dyed, printed, figured, woven in colours :	
	In the piece, to be sold by measure	45
	Cut	40
446	Velvet and plush and tissues similar to velvet and plush :	
	With uncut pile in the piece, to be sold by measure	45
	— cut	40
447	Same, cut, with pile made from the weft (velvet) :	
	In the piece, to be sold by measure	45
	Cut	40
448	Same, cut, with pile made from the warp (velours) :	
	In the piece, to be sold by measure	45
	Cut	40
449	Cotton felt (tissues woven like felt), even with admixture of wool, unbleached, bleached, dyed, printed, raw felt tissues, woven continuously, for the manufacture of wood pulp (cellulose), straw or paper pulp	45

CATEGORY G. (Continued.)

DETAILS.

GERMAN customs schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	Open-woven tissues :	
450	Open-woven tissues for curtains, also ornamented with festoons or purl sewn on : in the piece, to be sold by measure (tissues for curtains)	35
451	Same, cut, bound with ribbon or not (partially made up)	35
452	Tulle	35
453 *a*	Tissues not included under Nos. 445-452, unbleached, weighing 80 grammes or more per sq. metre, bed blankets, cut, with admixture of wool, also under Convention, whether hemmed or with woven fringes :	
	In the piece, to be sold by measure	45
	Cut	40
453 *b*	Open stitch tissues of all sorts	45
453 *c*	Tissues other than open stitch tissues	45
454 *a*	Tissues weighing 40 grammes or over, but less than 80 grammes per sq. metre with open stitch in the piece, to be sold by measure	45
454 *b*	Same, with the exception of open stitch tissues	45
455 *a*	Tissues weighing less than 40 grammes per sq. metre, open stitch	45
455 *b*	Same, excepting open stitch tissues	45
456 *a* and *b*	Other tissues, even dressed and bleached, in the piece, to be sold by measure	45
457 *a* and *b*	Tissues other than open stitch tissues, dyed, printed or woven in colour, in the piece, to be sold by measure	45
458	Knitted or netted stuffs, in the piece, to be sold by measure	45
	459 to 463 knitted or netted wares.	
459	Gloves and hairnets — made directly on the loom, cut or shaped on the loom (regular)	45
	Otherwise shaped	35
460 *a*	Stockings and socks — made directly on the loom, cut or shaped on the loom (regular)	45
	Otherwise shaped	35
460 *b*	Underclothing shaped on the loom (regular)	45
	— otherwise shaped	35
ex 461	Fishing nets	40
ex 461	Same, with admixture of linen yarn	40
462	Fowlers' and hunters' nets, horse-nets, marketing and similar nets	40
ex 463	Knitted or netted wares not otherwise mentioned :	
	Cut or shaped in manufacture (regular)	45
	Otherwise made up	35
	Tissues for incandescent mantles :	
ex 463	Combined or not with base metals	35
	Laces and embroideries :	
ex 464 *a* and *b*	Lace tissues and lace of all kinds, including insertion, blind lace, and cut out articles of lace tissues or lace, with or without wavy or scalloped edges, embroidered, woven, sewn, made on a frame, etc., lace on tulle, corrodas, openwork, spindle lace (with the exception of hand-made embroidery and lace).	30
465 *a*, *b*, *c*	Embroidery on cotton, woollen, linen foundation, etc., especially flat embroideries	30
	Chain stitch embroidery	30
	Other embroidery (hand-made embroidery and lace excepted)	30
	Miscellaneous :	
466	Rope, string or cord; twine of cotton twist, having a diameter of more than 1 millimetre, made up for retail sale or not	50
467 *a*	Fire and other coarse kinds of hose, combined or not with base metal; rough girths, woven or knitted	40
467 *b*	Transmission belts of cotton, wool or other animal hair, woven or knitted	40
468	Wicks (for lamps) woven, plaited or knitted	40

CATEGORY G. (Continued.)

DETAILS.

GERMAN CUSTOMS schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	"Sparterie":	
ex 469	Trimmings (edgings, ribbons, laces and the like) also cotton "sparterie" and chenille	35
	Laces, tapes, etc.	50
ex 469	Buttonmakers' wares of cotton, with or without enclosure or foundation of wood, bone, horn, leather, metal or similar materials	35
	Underclothing:	
519	Clothing, underwear, unless included under No. 460 *b*, and fancy underwear and all other sewn goods in cotton, even with admixture of other textile vegetable materials	25
	D. — VEGETABLE TEXTILE MATERIALS OTHER THAN COTTON.	
	I. — *Other raw vegetable textile materials, not transformed*	
470 *a* and *b*	Flax, hemp of foreign origin, steeped, hackled, bleached, dyed	95
	Same, carded or combed	85
470 *c*	Ramie, jute, Manilla hemp, New Zealand hemp, agave fibre, pineapple fibre, esparto fibre (alfa, halfa) coconut fibre, vegetable down, peat fibre, pine wool, and all other vegetable textile materials, steeped, hackled, bleached, dyed	95
	Same, carded and combed	85
471	Substitutes for crisp hair (Krollhaar) composed of coconut Manilla hemp, agave or similar fibre, even if mixed with animal hair, steeped, hackled, bleached, dyed	95
	Same, carded or combed	85
	II. — *Yarn of other vegetable textile materials.*	
472 *a* to *e*	Linen yarn (yarn of flax or of flax tow), even if mixed with jute, but without admixture of other textile materials	65
	Single unbleached	65
472 *f* to *k*	Flax tow, single, unbleached	65
473	Yarn of flax or flax tow, single, bleached, dyed, printed	65
474	Yarn of flax or flax tow, twisted of two or more strands, unbleached, bleached, dyed, printed	65
475 to 477.	Yarn of hemp or hemp tow, also yarn of Manilla hemp, New Zealand hemp, agave fibre, pineapple fibre, esparto fibre (alfa, halfa), coconut fibre (coir), or of vegetable textile materials not elsewhere mentioned, all these yarns, even if mixed with other textile materials included under Division D (other textile materials) but without admixture of cotton or animal textile materials.	
475 *a*	Yarn of hemp, single, unbleached	65
475 *b*	Yarn of hemp tow, single, unbleached	65
475 *c*	Manilla hemp, New Zealand hemp, agave fibre, pineapple fibre, esparto fibre (alfa, halfa) or other textile materials not elsewhere mentioned, single, unbleached	65
476	Yarn of hemp and hemp tow, yarn of Manilla hamp, of New Zealand hemp, of pineapple fibre, agave fibre, esparto fibre (alfa, halfa) and other vegetable textile materials not otherwise mentioned, twisted, of two or more strands, unbleached, dyed, printed	65
477 *a*	Yarn of hemp and hemp tow, yarn of Manilla hemp, of New Zealand hemp, of agave fibre, pineapple fibre, esparto fibre (alfa, halfa) and other vegetable textile materials not otherwise mentioned, twisted, of two or more strands, unbleached, bleached, dyed, printed	65
477 *b*	Cocoanut yarn, fibres of all kinds	65

CATEGORY G. (Continued.)

DETAILS.

GERMAN customs schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
477 *c*	Twine having a diameter of 1 millimetre or less (spagat) also other linen twine	65
478	Ramie yarn, even with admixture of flax or jute, but not mixed with other textiles, single, or twisted of one or more strands, unbleached, bleached, dyed, printed	65
481 *a*	Jute yarn, without admixture of other textile materials : Single, unbleached, up to No 8 English	65
481 *b*	Same, above No. 8 English, twisted of several strands, unbleached	65
482	Bleached, dyed, printed	65
483 *a* and *b*.	Yarn of other textile materials without admixture of cotton or animal textile materials, made up for retail sale.	
483 *a*	Linen yarn	60
483 *b*	Yarn of hemp or other textile materials	60
484	Cables, rope, cordage, twine	50
	III. — *Wares entirely or partially composed of other textile yarns of vegetable origin.*	
	Close-woven fabrics.	
485 *a*	Buckets, girths, hammocks, nets (fowlers' and hunters' nets, horse nets, string-bags, etc., seines), see also No. 461, sleeves of pipes, soles, ladders, braces, transmission belts, and other rope-makers' wares not mentioned above, even if in combination with other materials, unless as a result of this combination they fall under other numbers	40
487	Carpets and matting, cut, made of loose, twisted or spun jute, Manilla hemp, agave fibre, pineapple fibre, esparto (alfa, halfa) or coconut fibre even if mixed with other vegetable textile materials or yarn, or with the hair of cattle, deer, dog or swine, or similar coarse animal hair or yarn thereof, so far as they are not comprised under No 427, knotted, woven with or without cover of tarred cordage, tarred carpets and matting : same in the piece, to be sold by measure	45
	same partially made-up	40
ex 488 and 489	Linen pocket handkerchiefs, made-up or not (figured or plaid, with or without cotton threads, dyed or undyed in corners or borders, without regard to number or arrangement of these threads, unbleached, bleached, dyed, printed, woven in colours : in the piece, to be sold by measure	45
	cut, partially made-up	40
490	Close-woven tissues of jute, without admixture of other textile materials, for furniture and hangings (with the exception of velvet and plush, and tissues resembling velvet and plush), dyed, printed, woven in colours, figured : in the piece, to be sold by measure	45
	partially made-up	40
491	Velvet and plush, and tissues resembling velvet and plush, with cut or uncut pile, of yarns of the textile materials included in Division D, without admixture of animal materials or cotton : in the piece, to be sold by measure	45
	partially made-up	40
492	Close-woven tissues of yarn of textile materials comprised in Division D, mixed or not with horsehair, but without admixture of other animal textile materials or cotton, not included under Nos 486-491, unfigured	
	Same of flax, flax tow or ramie, mixed or not with other textile materials comprised in Division D : unbleached, in the piece, to be sold by measure	45
	cut	40
493	*Same*, bleached, dyed, printed, woven in colours : in the piece, to be sold by measure	45
	cut	40

CATEGORY G. (Continued.)

DETAILS.

GERMAN CUSTOMS schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
494–495	*Same*, of hemp, hemp tow, Manilla hemp, New Zealand hemp, agave fibre, pineapple fibre, esparto (alfa, halfa), coconut fibre, or of other vegetable textile materials not elsewhere mentioned, mixed or not with jute, but without admixture of flax, hemp tow or ramie : unbleached, bleached, dyed, printed, woven in colours :	
	in the piece, to be sold by measure	45
	cut	40
496 *a*	*Same*, of jute, without admixture of other textile materials comprised in Division D, bags, unbleached, bleached, printed, woven in colours :	
	in the piece, to be sold by measure	45
	cut	40
496 *b*	*Same*, in other tissues, unbleached :	
	in the piece, to be sold by measure	45
	cut	40
497	*Same*, in other tissues, bleached, dyed, printed, woven in colours :	
	in the piece, to be sold by measure	45
	cut	40
498 *a*, *b*	Clove-woven tissues of yarn of textile materials comprised in Division D mixted or not with horsehair, but without admixture of other animal textile materials or cotton, not included under Nos 487*a*-491, figures (unbleached, bleached, dyed, printed, woven in colours), including damasks and others :	
	in the piece, to be sold by measure	45
	cut, partially made-up	40
	Light tissues (open-woven).	
499	Gauze, tulle and similar open-woven tissues	35
	Knitted or netted stuffs.	
ex 500 *a*	Knitted or netted stuffs, in the piece, to be sold by measure	45
	Knitted or netted wares (hosiery) not elsewhere mentioned	
	Made directly on the frame, whether cut or shaped on the frame (regular)	45
	Same, made-up otherwise	35
	Laces and embroideries.	
ex 501	Lace tissues and lace of all kinds, including insertions, blond lace, and cut-out goods of lace or lace tissues, with or without wavy or scalloped edges	30
	Hand-made laces and embroideries are excluded.	
	"Sparterie" wares.	
ex 502	Trimmings (edgings), ribbons, laces and the like, also articles made in the same way as so-called cotton "Sparterie", chenille	35
	Lamp wicks, woven, knitted or plaited	40
	Cords, tapes and the like	50
ex 502	Button-makers' wares, in other vegetable textile materials than cotton, with or without enclosure or foundation of wood, bone, horn, leather, metal or the like	35
	Ready-made clothing, lingerie.	
520–522	Clothing (including cloaks, blouses, corsages, etc.), underclothing, unless included under No 500 *a*, bed linen, etc.	
	Millinery and other sown articles, including those made of waterproof tissues, in particular sadlers' wares and leather articles (trunks)	25
	Bookbinders' and tracing cloth, waterproof tissues, tissues covered with abrasive or polishing substances, linoleum and similar materials.	
503	Bookbinders' cloth, smooth or pressed, tracing cloth	45
504	Oilcloth	45

CATEGORY G. (Continued.)

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
505 a	Tissues rendered waterproof by being coated or impregnated with oil varnish or with substances of metallic origin, with tar or with materials other than india-rubber, gutta-percha or celluloid, slate cloth :	
	Coarse	45
505 b	Same, other than coarse	45
506	Tissues coated with celluloid or similar substances (pegamoid)	45
507	Emery cloth, pumice stone cloth, linen coated with flint, glass or sand	45
508 a	Carpeting of linoleum or similar materials, in the piece, to be sold by measure, or cut, with or without foundation of coarse tissue or other materials :	
	Of one colour in the mass	45
508 b	Same, printed	45
509	Same, of more than one colour in the mass (inlaid, mosaic or granite linoleum), printed or not	45
510	Same, in lincrusta or similar materials	45
	Wadding.	
511	Wadding, prepared for medicinal use	75
512	Other, even coated with starch, glue or with gum mucilage; wadding rolls for padding doors, etc	75
	Incandescent mantles.	
371	Incandescent mantles for lighting purposes, burnt-off, also if impregnated with collodion, gelatine, glue, shellac, or the like, or in combination with base metals or alloys of base metals	35
500 b	Same, soft, whether or not in combination with base metals or alloys of base metals, in spun wares or knitted tissues of all kinds, whether or not impregnated	35
	Of silk	40
	All other articles of Section V of the customs Schedule not designated under sub-headings A, B, C of Category G	25

NOTE.

1. All yarns obtained by synthetic chemical processes, such as artificial silk and tissues and wares of textile materials made exclusively of these artificial yarns, are excluded.

2. For all the tissues of the above list, for which the percentages have been fixed at different figures for "cut" (partially made-up, "abgepasst"), the term "cut" ("abgepasst") must be taken in the sense of No 430 of the German customs schedule (Statistiches Warenverzeichnis des Deutschen Zolltarif), in so far as concerns, for example, the following wares : curtains, hangings, made-up coverings.

On the other hand, the term "abgepasst" as applied to knitted and netted wares means "shaped on the frame" (Nos 409 b, 434, 435, 459, 460, 463, 500 a), that is, shaped so that the parts must still be sewn together. For knitted wares and hosiery the same percentages have been fixed as for wares finished directly on the frame.

CATEGORY H.

HIGH CLASS SKINS (PREPARED), PELTS. — STUFFED ANIMALS.

SUB-HEADINGS.

	GERMAN CUSTOMS Schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
A. — HIGH CLASS SKINS (PREPARED), PELTS.		
Pelts and furs.		
Raw skins	563	
Common skins		40
Medium skins		60
Valuable skins		75
Prepared skins	564	
Common skins		30
Medium skins		50
Valuable skins		75
Made-up furs	565	
Common		25
Medium		45
Valuable		65
B. — STUFFED ANIMALS.		
In skins of foreign origin	ex 566	35

NOTE. — Common skins (rabbit, hare, native fox, mole, marmot, etc.).
Medium skins (weasel, river seal, opossum and Mongolian wolf).
Valuable skins (white fox, silver fox, etc., skunk, marten, sable, astrakhan, Canadian seal, etc.).

CATEGORY H.

HIGH-CLASS SKINS (PREPARED), PELTS. — STUFFED ANIMALS.

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	A. — Pelts.	
563	Skins for the preparation of furs wholly or partially tanned or dressed, also dyed :	
	(*a*) Common skins (rabbit, hare, native fox, mole, marmot, etc.)	40
	(*b*) Medium skins (weasel, river seal, opossum and Mongolian wolf)....	60
	(*c*) Valuable skins (white fox, silver fox, etc., skunk, marten, sable, astrakhan, Canadian seal, etc.).....	75
564	Made-up furs, neither covered nor lined, fur coats, including boundas (Hungarian coats), boas (unless included under 563), fur rugs, fur linings, fur trimmings, skins sewn together to be used for fur linings; skins cut into stripe to be used for trimming and similar pieces :	
	(*a*) Made of common skins.....	30
	(*b*) Made of medium skins.....	50
	(*c*) Made of valuable skins.....	75
565	Made-up fur, -covered or lined; boas unlined, but with ribbons, edging, button, etc., cushions stuffed or otherwise filled (without tacking) covered with fur, shoes (also with soles of leather or similar materials), foot-bags, hats, caps, muffs and gloves made of fur, covered or lined with fur, made-up skins of birds or parts thereof, prepared for use as furs, also wares of textile or leather, etc., to which birds' feathers are attached by weaving, sewing, or any similar process :	
	(*a*) Made of common skins.....	25
	(*b*) Made of medium skins	45
	(*c*) Made of valuable skins.....	65
	B. — Stuffed animals.	
ex 566	Stuffed animals or parts of animals, in so far as they are of foreign origin, also with artificial eyes, natural horns, etc., skins of foreign birds or other foreign animals prepared for Jack-in-the Boxes and similar toys, also when combined with other materials, unless they come under other numbers owing to these materials.....	35

CATEGORY I.

SKINS, RAW HIDES, FOOTWEAR, SADDLERY, FANCY LEATHER ARTICLES, GLOVES. TRANSMISSION BELTS IN NATURAL LEATHER, MISCELLANEOUS LEATHER ARTICLES.

SUB-HEADINGS.

	GERMAN CUSTOMS Schedule number.	PERCENTAGE of RAW MATERIALS of foreign origin.
A. — Skins.		
Sheep, goat, lamb, kid	544 *a*, *b*	85
B. — Leather.		
Leather for footwear, soles, straps	545 *a*, *b*, *c*	80
Leather for upholstery, fancy goods, saddlery	545 *d*	75
Parts of skins	545 *e*	80
Calf, box calf and other dressed leather	546 *a*, *b*	75
Leather for shoemaking, saddlery, fancy goods	547 *a*, *b*	70
Leather for unwashable gloves	548 *a*	75
Leather for washable gloves	548 *b*	70
Dressed leather (sheep, goat, lamb, kid)	549, 550	70
Parchment, skins for drums	551	80
Calf, boxcalf and other patent leather (lacquered)	552 *a*, *b*, *c*	70
Skins of fish or reptiles	553	65
C. — Footwear.		
Footwear	555, 556	40
D. — Miscellaneous leather articles.		
Prepared or finished belting	557	60
Leather garments	559	35
Harness, including saddles and parts of leather harness	Ex 560	40
Other leather articles connected with saddlery, morocco leather manufacture, trunk-making, ornaments wholly of leather or lined with textile or similar material (carding sheets)	Ex 560	50
Other articles connected with saddlery, trunk-making, etc., consisting chiefly of leather	Ex 560	30
Leather gloves	562	40

CATEGORY I.

SKINS, RAW HIDES, FOOTWEAR, SADDLERY, FANCY LEATHER ARTICLES, GLOVES, TRANSMISSION BELTS IN NATURAL LEATHER, MISCELLANEOUS LEATHER ARTICLES.

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	A. — SKINS.	
544 *a*	Sheep or lamb skins stripped of wool, wholly or partially tanned or curried, not yet dyed nor otherwise dressed, split or unsplit	85
544 *b*	Goat or kid skins stripped of hair, wholly or partially tanned or curried, not yet dyed nor otherwise prepared, split or unsplit	85
	B. — LEATHER.	
	Leather wholly or partially tanned, whether dressed or not, not elsewhere mentioned and having a net weight per piece of over 3 kgs. Whole skin or half skins with head, necks, belly and hoofs attached square hide:	
545 *a*	Leather for uppers of shoes, boots or slippers	80
545 *b*	Leather for soles	80
545 *c*	Leather for straps	80
545 *d*	Leather for harness, upholstery, leather articles, saddlery, bookbinding, etc., pigskins whatever the weight per skin	75
545 *e*	Horses heads, necks, parts of the belly and hoofs, as well as chests, whatever the weight per piece	80
	Leather having a net weight per piece of from 1 to 3 kilos :	
546 *a*	Calf leather, natural colour or dyed	75
546 *b*	Boxcalf and other leather	75
	Leather weighing less than 1 kg. per piece :	
547 *a*	Leather for uppers of shoes, boots and slippers	70
547 *b*	Leather for trunkmaking, saddlery and other leathers	70
548 *a*	Leather of all kinds for gloves, glacé leather	75
548 *b*	Wash-leather for gloves (buckskin, kidskin, chamois and reindeer) and other skins	70
549	Dressed goat and kid skins with the exception of glove skins and patent leather.	70
550	Dressed sheep and lamb skins with the exception of leather for gloves and patent leather	70
551	Parchment, transparent leather and skins for drums	80
552 *a*	Patent leather	70
552 *b*	Patent boxcalf	70
552 *c*	Sheep and goat leather, and other patent leathers	70
553	Dressed skins (dyed, tanned, etc.) of fishes and reptiles	65
	C. — FOOTWEAR.	
555	Leather shoes of all kinds, even when made of skins with the hair still on or of the skins of fishes or reptiles, with wooden soles	40
556	Same with other soles, including vamps for shoes, of all kinds of leather, with elastic	40
	D. — MISCELLANEOUS LEATHER WARES.	
557	Transmission and driving belts of leather of all kinds as well as of raw hide (without the hair), with or without layers of coarse textile materials or felt.	60
559	Leather garments	35
560 *c, d*	Leather saddlery, also leather trunks, suit-cases, etc., fancy goods (portfolios, purses, dressing cases, ladies housewifes, etc.) and all other articles under No 560 except those not wholly made of leather	50
	The same goods as above, but those chiefly, and not wholly, made of leather.	30
Ex 560 *e*	Carding sheets for carding factories, weaving apparatus, tents, hangings entirely of leather, or of leather lined with textiles or similar materials	50
	The same goods, but those chiefly, and not wholly, made of leather	30
560 *b*	Harness for horses, including saddles and parts of leather harness	40
561	Leather for gloves, cut up or stamped for the manufacture of gloves	50
562 *a*	Gloves wholly or partly of leather with the exception of gloves covered or lined with fur and padded fencing gloves, the last being considered as saddlery, glacé kid gloves	40
562 *b*	Deerskin and other leather gloves	40

CATEGORY K.

BROOMS, PAINT AND OTHER BRUSHES, FEATHER DUSTERS, PLAITED WARES.

SUB-HEADINGS.

	GERMAN CUSTOMS Schedule No.	PERCENTAGE OF RAW materials of foreign origin.
A. — BROOMS, PAINT AND OTHER BRUSHES, FEATHER DUSTERS.		
Raw materials for brooms and brushes	ex 68 *c*	85
Brooms, paint and other brushes, feather dusters, etc.	596, 597, 598, 599	40
B. — PLAITED WARES AND SIEVES.		
Raw materials for plaited wares	ex 68 *a* ex 69 *a* and *c* ex 84, 642 *a*, *b*, *c*	85
Straw plaits of native or foreign origin	588 *a*, *b*	30
Plaited wares, sieves (except fabric and metal sieves)	589, 590, 591, 592, 600	30
Chair canes	642 *a*	85
Rattans	ex 642 *b*	85
Bamboo and similar materials	642 *c*	85

CATEGORY K.

BROOMS, BRUSHES, FEATHER DUSTERS AND PLAITED WARE.

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE OF RAW materials of foreign origin.
	A. — BROOMS, PAINT AND OTHER BRUSHES, FEATHER DUSTERS.	
ex 68 *c*	Piassava-fibres and stalks, root fibres, stripped; rice roots; brooms of wild broom; palmyra fibre; and all other vegetable material used in the manufacture of brooms and brushes, not elsewhere designated or included under other numbers, twisted into ropes	85
596	Brooms other than birch brooms, brushes, coarse, combined or not with unlacquered, unpolished wood, cane or iron, in real or imitation vegetable materials; swabs (mops, rag brooms for cleaning ships) and similar utensils for cleaning purposes, of real or imitation animal bristles; undyed feathers or feather dusters (for paint-brushes see No 599)	40
597	Ditto, coarse, combined with lacquered or polished wood, cane or iron; fine (in particular all those of human or other hair or of yarn, also dyed feather dusters), combined or not with wood, cane or iron; scrubbing brushes and gloves, also horse brushes of bristles, horsehair or similar materials, combined with coarse spun wares; plumes of horse or buffalo hair; carpet sweepers, including brooms and brushes combined with other materials, unless as a result of this combination they fall under other numbers	40
598	Brushes combined with bone or horn	40
599	Brooms, brushes, feather dusters, combined or not with other materials, unless as a result of this combination they fall under other numbers	40
	Paint brushes of all sorts	40
	B. — PLAITED WARE AND SIEVES.	
ex 68 *a*	Loofah, bleached or not; dyed, split or cut bast (liber); cane; dried palm leaves, dyed or not (except leaves to be used for bouquets or ornaments); "Irish moss" fibres; Iceland moss, seaweed of all kinds; sea-grass; vegetable hair and other materials used for stuffing, dried, dyed or twisted into ropes; esparto fibres (Halfa), and all other vegetable materials used in plaited wares, etc., not elsewhere designated or included under other numbers, twisted into ropes	85
ex 69 *a*	Spanish cane washed or otherwise cleaned, unsplit, unpolished	85
ex 69 *c*	Bamboo, partridge cane, sugar cane and other fine canes, washed or otherwise cleaned, unsplit, unpolished, also steeped waste of these canes, dyed, with designs burned in, varnished, lacquered, or polished	85
ex 84	Osiers for basket making, split, peeled or not, in bundles	85
588 *a*	Plaits of straw, whether or not bleached and dyed (straw bands), including plaited bands for hats, in the shape of hats to facilitate transportation	30
588 *b*	Ditto, of bast (liber), tree roots, cane, broom, herb, wood wool, palm leaves, sea-grass, marsh reeds, and other vegetable materials used in plaited ware, whether bleached and dyed or not	30
589	Coverings, carpets and mats, coarse, in natural state or dyed, stained or varnished; other than coarse, also other coverings or carpets of all kinds, with or without lining of spun wares or felt	30
590	Basket-makers' and other plaited wares, coarse, in natural state or dyed, stained or varnished, in wands stripped or not, in cane, rattans or wood shavings, also in other materials used in plaited ware	30
591	Ditto, other than coarse, in particular all articles lacquered, polished, bronzed, gilded or silvered	30
592	Basket-makers' and other plaited wares (except upholstered wicker furniture), combined with yarns or spunwares or with other materials, unless as a result of this combination they fall under other numbers	30
ex 600	Sieve-makers' wares, except in so far as, by reason of their combinations, they fall under other numbers, and with the exception of fabric or metal sieves	30
642 *a*	Chair cane (Spanish Malacca) material for plaited ware, smoothed or not (cane for plaiting)	85
ex 642 *b*	Rattans	85
642 *c*	Bamboo, patridge cane, sugar cane and other fine canes, worked, including imitation piassava, in natural state or worked	85

CATEGORY L.

MISCELLANEOUS.

CASKS AND FURNITURE, PENCILS, SLATES, SPONGES, BUTTONS (WITH THE EXCEPTION OF CLOTH COVERED BUTTONS), ANIMAL PRODUCTS SUITABLE FOR CARVING, ORNAMENTAL FEATHERS, TOBACCO, WOOD PULP.

SUB-HEADINGS.

	GERMAN CUSTOMS Schedule No.	PERCENTAGE of RAW MATERIALS of foreign origin.
A. — Casks and furniture.		
New empty oak casks, of split oak or quarter sawn-oak	ex 623 *a*, *b*	40
New empty oak casks other than the above	ex 623 *a*, *b*	25
N.-B. — Full casks or the same casks empty after use are excepted.		
Furniture made from tropical timber	ex 626 *a*–ex 626 *b* ex 632–ex 633 *a*	30, 35, 25
N.-B. — It is understood that any furniture which is "veneered" wholly or in part does not come under the percentage and that no part of a complete set of furniture may receive different treatment from the essential parts of the set.		
B. — Pencils.		
Pencils of cedar wood and graphite	ex 340	25
C. — Slates.		
Writing slates	688 *b*	50
D. — Sponges.		
Sponges beaten or washed	159 *a*	85
Prepared sponges	159 *b*	70
E. — Buttons (except cloth covered buttons).		
Horn or bone buttons	611	35
Buttons of corozo and other similar nuts	646 *a*, *b*	40
F. — Ivory, horn, tortoise-shell, whalebone, meerschaum, amber, mother-of-pearl and other materials suitable for carving.		
Horn, ivory, shells, tortoise-shell, in the rough	ex 156 *a*, *b*, *c*, *d*, *e*, *f*, *g* ex 601–ex 603	85
Ivory or tortoise-shell goods	ex 602–ex 604	35
Semi-finished mother-of-pearl	ex 605	80
Manufactured mother-of-pearl	ex 606	
— white mother-of-pearl		55
— black mother-of-pearl		25
— trocar or similar shells		35
Whalebone in blades or slabs (busk)	ex 609	80
Whalebone articles	ex 609	35
Other animal raw material suitable for carving	ex 613	80
Meerschaum goods	ex 709	35
Goods in other animal materials suitable for carving	ex 614–ex 712	35
G. — Ornamental feathers.		
Ornamental feathers and birds' skins of foreign origin, not prepared	148 *a*, *b*, *c*–ex 149	85
Ornamental feathers and birds' skins, prepared	531 *a*, *b*, *c*	40
H. — Tobacco.		
Smoking tobacco	220 *e*	50
Chewing tobacco	ex 220 *f*	25
Snuff	ex 220 *f*	50
Cigars	220 *g*	35
Cigarettes	220 *h*	50
I. — Wood pulp.		
Mechanical wood pulp	650 *a*	40
Chemical wood pulp	650 *b*	40

CATEGORY L.

MISCELLANEOUS.

CASKS AND FURNITURE, PENCILS, SLATES, SPONGES, BUTTONS (WITH THE EXCEPTION OF CLOTH COVERED BUTTONS), ANIMAL PRODUCTS SUITABLE FOR CARVING, ORNAMENTAL FEATHERS. TOBACCO, WOOD PULP.

DETAILS.

GERMAN CUSTOMS Schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	A. — CASKS AND FURNITURE.	
ex 623 a, b	New empty casks made of split oak (stave wood) and quarter-sawn oak.....	40
	Other oak casks (new and empty) including planned shooks and other coopers' wares, rough or wrought (even with ferrules).....	25
	N. B. — Full casks or the same casks empty after use are excluded.	
ex 626 a	Furniture and parts thereof of hard wood, coarse (not padded), not veneered, rough, even when combined with other materials.....	30
ex 626 b	Furniture and parts thereof, wrought, even of bent wood, solid.....	35
ex 632	Padded furniture, not covered.....	25
ex 633 a	Padded furniture, wholly or partly covered with silk, lace, embroidery, cloth with sewn appliqué work, velvet or plush, velvet or plush-like cloth leather (covered billiard tables).....	25
	Note I. Nos. 626 to 633 are included in the present list only if tropical wood is used, including American walnut and pitch pine.	
	Note II. All furniture veneered wholly or in part comes under Nos. 627 to 631 and is therefore not liable to the percentage.	
	Note III. No part of a complete set of furniture may receive different treatment from the essential parts of the set.	
	B. — PENCILS.	
ex 340	Graphite pencils with cedar wood sheath.....	25
	C. — WRITING SLATES.	
688 b	Writing slates with or without frames of any kind.....	50
	D. — SPONGES.	
159 a	Sponges (sea sponges) merely beaten and washed, even scraps of prepared sponge.....	85
159 b	Sea sponges, prepared, washed or bleached, fixed or not in holders of tin plate or the like (writing tablet sponges, washed sponges).....	70
	E — BUTTONS (EXCEPT CLOTH-COVERED BUTTONS).	
611	Buttons, pressed, turned or hollowed, of horn, horn paste, bone, perforated or not.....	35
646 a	Corozo buttons, buttons of areca nut and other hard foreign nuts, rosaries and other articles of these materials.....	40
646 b	Vegetable materials for carving not named elsewhere, in rough slabs, simply cut, cut elder pith and marsh reeds, split, cut or sharpened to a point. Beads and similar vegetable materials for carving other than wood and cork (except colluloid articles and other moulding materials) strung on threads of textile materials, on tapes or wire and fit for immediate use as ornaments, as also trimmings manufactured in the same way, loofah brushes, soles....	40

CATEGORY L. (Continued.)

DETAILS.

GERMAN CUSTOMS Schedule N°.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	F. — IVORY, HORN, TORTOISE-SHELL, WHALEBONE, MEERSCHAUM, AMBER, MOTHER-OF-PEARL, AND OTHER MATERIALS SUITABLE FOR CARVING.	
ex 156 *a*	Stags' horns, stags' antlers, dyed parts of stags' horns cut in pieces for carving	85
ex 156 *b*	Bones, small horns, hoofs, claws, birds' beaks, cut in pieces for carving	85
ex 156 *c*	Ivory (elephants' teeth and the teeth of other animals, for instance, mammoths, hippopotami, seals and whales) cut in pieces for carving	85
156 *d*	Raw whalebone, partly carved	85
ex 156 *e*	Shells (including those containing pearls, cowries, coral, red or white, powdered or crushed, tortoise-shells (whole), porcupine quills and all other carving materials of animal origin, partially carved	85
ex 156 *f*	Bones cut into lengths, including those from which the marrow has been removed, hoofs, claws, all for other purposes than carving, also after removal of marrow	85
ex 156 *g*	Shavings (waste) of horns, powdered horn, waste from the carving of animals' horns or horn articles	85
ex 601	Plates or pieces of ivory visibly rough shaped for further manufacture	85
ex 602	Articles wholly or partly of ivory, so far as they are not expressly excepted, or do not come under other numbers by reason of their combination with other materials	35
ex 603	Plates or pieces of tortoise-shell visibly rough shaped for further manufacture	85
ex 604	Articles wholly or partly of tortoise-shell, in so far as they do not come under other numbers by reason of their combination with other materials	35
ex 605	Plates or pieces of mother-of-pearl, articles visibly rough shaped for further manufacture, mother-of-pearl in whole shells, ground or polished, with or without pearls	80
ex 606	Articles wholly or partly of mother-of-pearl, including buttons, in so far as they are not expressly excepted or do not come under other numbers by reason of their combination with other materials:	
	White mother-of-pearl	55
	Black mother-of-pearl	25
	"Trocas" or similar shells	35
ex 609	Plates and sticks of whalebone	80
ex 609	Whalebone, plaited woven and other wares of whalebone, except hats, combined or not with other materials, in so far as they do not come under other numbers, by reason of their combination with other materials	35
ex 613	Plates and pieces of other animal material, for carving, not elsewhere enumerated, even when combined with other materials, unless, by reason of this combination, they come under other numbers	80
ex 614	Articles of animal materials, for carving, not included in the preceding numbers, even when combined with other materials, in so far as they do not, by reason of this combination, come under other numbers, if the raw materials are imported into Germany	35
ex 709	Articles wholly or partly of meerschaum, in so far as they do not come under other numbers by reason of their combination with other materials	35
ex 712	Articles wholly or partly of natural amber, in so far as they do not come under other numbers by reason of their combination with other materials (for rosaries, see No. 885 B)	35

CATEGORY L. (Continued.)

DETAILS.

GERMAN customs Schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin
	ORNAMENTAL FEATHERS.	
148 *a, b, c*	Ornamental feathers of foreign origin, dyed or merely strung upon threads of textile material for the purpose of being packed or transported, not prepared :	
148 *a*	Heron feathers	85
148 *b*	Ostrich feathers	85
148 *c*	Chicken, duck and other feathers	85
ex 149	Bird skins, heads, wings, and other parts of bird skins, whether or not dyed, dried, or prepared merely for protection against insects	85
531 *a, b, c*	Ornamental feathers of foreign origin, prepared :	
531 *a*	Ostrich feathers	40
ex 531 *b*	Heron feathers	40
ex 531 *c*	Other feathers; also skins, heads, wings, and other parts of birds, prepared for ornamenting hats and the like	40
	H. — TOBACCO, MANUFACTURED (except home-grown German tobacco).	
220 *e*	Smoking tobacco, cut, pipe tobacco in rolls or cakes	50
ex 220 *f*	Chewing tobacco in rolls or cakes	25
	Snuff, in rolls or cakes	50
220 *g*	Cigars	35
220 *h*	Cigarettes	50
	I. — WOOD-PULP. Semi-pulp (semi-paste) for the manufacture of paper or cardboard.	
650 *a*	Mechanical wood-pulp	40
650 *b*	Chemical wood-pulp (cellulose; pulp of straw, esparto or other fibres)	40

CATEGORY L. (Continued.)

DETAILS.

GERMAN CUSTOMS Schedule N°.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin.
	F. — IVORY, HORN, TORTOISE-SHELL, WHALEBONE, MEERSCHAUM, AMBER, MOTHER-OF-PEARL, AND OTHER MATERIALS SUITABLE FOR CARVING.	
ex 156 *a*	Stags' horns, stags' antlers, dyed parts of stags' horns cut in pieces for carving	85
ex 156 *b*	Bones, small horns, hoofs, claws, birds' beaks, cut in pieces for carving	85
ex 156 *c*	Ivory (elephants' teeth and the teeth of other animals, for instance, mammoths, hippopotami, seals and whales) cut in pieces for carving	85
156 *d*	Raw whalebone, partly carved	85
ex 156 *e*	Shells (including those containing pearls, cowries, coral, red or white, powdered or crushed, tortoise-shells (whole), porcupine quills and all other carving materials of animal origin, partially carved	85
ex 156 *f*	Bones cut into lengths, including those from which the marrow has been removed, hoofs, claws, all for other purposes than carving, also after removal of marrow	85
ex 156 *g*	Shavings (waste) of horns, powdered horn, waste from the carving of animals' horns or horn articles	85
ex 601	Plates or pieces of ivory visibly rough shaped for further manufacture	85
ex 602	Articles wholly or partly of ivory, so far as they are not expressly excepted, or do not come under other numbers by reason of their combination with other materials	35
ex 603	Plates or pieces of tortoise-shell visibly rough shaped for further manufacture	85
ex 604	Articles wholly or partly of tortoise-shell, in so far as they do not come under other numbers by reason of their combination with other materials	35
ex 605	Plates or pieces of mother-of-pearl, articles visibly rough shaped for further manufacture, mother-of-pearl in whole shells, ground or polished, with or without pearls	80
ex 606	Articles wholly or partly of mother-of-pearl, including buttons, in so far as they are not expressly excepted or do not come under other numbers by reason of their combination with other materials:	
	White mother-of-pearl	55
	Black mother-of-pearl	25
	"Trocas" or similar shells	35
ex 609	Plates and sticks of whalebone	80
ex 609	Whalebone, plaited woven and other wares of whalebone, except hats, combined or not with other materials, in so far as they do not come under other numbers, by reason of their combination with other materials	35
ex 613	Plates and pieces of other animal material, for carving, not elsewhere enumerated, even when combined with other materials, unless, by reason of this combination, they come under other numbers	80
ex 614	Articles of animal materials, for carving, not included in the preceding numbers, even when combined with other materials, in so far as they do not, by reason of this combination, come under other numbers, if the raw materials are imported into Germany	35
ex 709	Articles wholly or partly of meerschaum, in so far as they do not come under other numbers by reason of their combination with other materials	35
ex 712	Articles wholly or partly of natural amber, in so far as they do not come under other numbers by reason of their combination with other materials (for rosaries, see No. 885 B)	35

CATEGORY L. (Continued.)

DETAILS.

GERMAN customs Schedule No.	COMMODITIES.	PERCENTAGE of RAW MATERIALS of foreign origin
	Ornamental feathers.	
148 *a, b, c*	Ornamental feathers of foreign origin, dyed or merely strung upon threads of textile material for the purpose of being packed or transported, not prepared :	
148 *a*	Heron feathers	85
148 *b*	Ostrich feathers	85
148 *c*	Chicken, duck and other feathers	85
ex 149	Bird skins, heads, wings, and other parts of bird skins, whether or not dyed, dried, or prepared merely for protection against insects	85
531 *a, b, c*	Ornamental feathers of foreign origin, prepared :	
531 *a*	Ostrich feathers	40
ex 531 *b*	Heron feathers	40
ex 531 *c*	Other feathers; also skins, heads, wings, and other parts of birds, prepared for ornamenting hats and the like	40
	H. — Tobacco, manufactured (except home-grown German tobacco).	
220 *e*	Smoking tobacco, cut, pipe tobacco in rolls or cakes	50
ex 220 *f*	Chewing tobacco in rolls or cakes	25
	Snuff, in rolls or cakes	50
220 *g*	Cigars	35
220 *h*	Cigarettes	50
	I. — Wood-pulp. Semi-pulp (semi-paste) for the manufacture of paper or cardboard.	
650 *a*	Mechanical wood-pulp	40
650 *b*	Chemical wood-pulp (cellulose; pulp of straw, esparto or other fibres)	40

LIST D.

OF CERTAIN RATIONED COMMODITIES OF WHICH THE RATION HAS BEEN FIXED BY THE SPECIAL COMMITTEE ITSELF.

The present list fixes the maximum quantities

(*a*) Of various categories of timber, and

(*b*) Of raw sugar,

the delivery of which may be obtained during the periods indicated below, by means of contracts concluded under the conditions of the present Regulations, it being understood that the quantities specified are those which may be delivered under the terms of the contracts during each of the periods in question and that the quantities and categories fixed for each of the Powers can accrue only to that Power.

(*a*) TIMBER.	QUANTITIES which may be delivered before April 1st, 1926.	QUANTITIES which may be delivered from April 1st, 1926, to April 1st, 1927.
1. *France.*		
Resinous sawn timber corresponding to the normal specifications for France (in cubic metres, net, of sawn timber)	400,000	600,000
Impregnated telegraph poles (number of units)	200,000	300,000
Railway sleepers of hard woods, except oak, standard type, 75 % being impregnated and 25 % untreated (number of units)	300,000	300,000
Railway sleepers of resinous wood, not to exceed the standard type, 75 % being impregnated and 25 % untreated (number of units)	300,000	300,000
2. *Belgium.*		
Deciduous sawn timber (in cubic metres, net of sawn timber)	2,000	2,000
Impregnated telegraph poles (number of units)	36,000	36,000
Railway sleepers of hard wood, except oak, creosoted (number of units)	180,000	180,000
Railway sleepers of resinous timber, creosoted (number of units)	420,000	420,000
Pit props (number of cubic metres)	50,000	50,000

	QUANTITIES which may be delivered before April 1st, 1926.	QUANTITIES which may be delivered from April 1st, 1926, to April 1st, 1927.
3. *Italy.*		
Impregnated telegraph poles (number of units)....	180,000	180,000
Railway sleepers of hard timber, except oak, creosoted (number of units).....	350,000	350,000
Railway sleepers of resinous timber, creosoted (number of units).....	350,000	350,000

NOTE. — The timber delivered must have been sawn or shaped on German territory; the contracts must expressly state that this condition is complied with and indicate the places or regions where the sawing or shaping takes place.

(*b*) RAW SUGAR.		
France (tons).....	10,000	10,000

For the purpose of discussing the question of deliveries after April 1st, 1927, a meeting of Allied and German Delegates, who shall have the right, in case of disagreement, to call in an additional neutral member, will be held in June 1926 for timber and in December 1926 for raw sugar.

ANNEX II.

(In the case of the drafts the German text is authentic for purposes of interpretation).
(In the case of the summaries the French and English texts are both authentic for purposes of interpretation).

FORM OF DRAFTS AND SUMMARIES.

A. — DRAFT PAYABLE FIVE DAYS AFTER SIGHT.
(WECHSEL FÜNF TAGE NACH SICHT.)

Paris, den 1925.
Paris, 1925.

Gegen diesen Wechsel.
In exchange for this draft.
zahlen Sie fünf Tage nach Vorlegung an (Name des Käufers)
pay five days after sight to (Name of buyer),
oder and seine Order die summe von:
or order, the sum of:

100,000 (Hunderttausend) Reichsmark (1).
100,000 (one hundred thousand) Reichsmarks (1).

Wert in Waren (oder Dienstleistungen).
Value received in goods (or in services).

Unterschrift:
Signature:

Der bevollmächtigte Vertreter der Gläubigerregierung.
The authorised representative of the creditor Government.

An den General Agenten für Reparationszahlungen
To the Agent General for Reparation Payments

Zahlbar bei der Reichsbank, Berlin.
Payable at the Reichsbank, Berlin.

REVERSE SIDE (RÜCKSEITE).

Zahlen Sie an die Order von (Name des Verkäufers).
Pay to the order of (Name of seller).

Wert in Waren (oder Dienstleistungen).
Value received in goods (or in services).

den 1925.
the 1925.

Unterschrift des Käufers.
Buyer's signature.

---

(1) Sieht der Vertrag für den Kaufpreis eine andere Währung also Rechnungsmünze vor, so wird die Summe in der anderen Währung mit dem Hinzufügen ausgedrückt, dass sie in Reichsmark zu zahlen ist, z. B: "£ 5,000, zahlbar in Reichsmark".

(1) If the contract fixes a price expressed in another currency as the money of account, the sum will be expressed in that currency, but with the remark that it is payable in Reichsmarks, for example: "£ 5,000 payable in Reichsmarks".

B. — TIME DRAFT (ZEITWECHSEL.)

Paris, den 1925.
Paris, 1925.

Gegen diesen Wechsel der nicht zur Annahme präsentiert werden darf,
In exchange for this draft which must not be presented for acceptance,
zahlen Sie am 15ten September 1925, an (Name des Käufers),
pay on September 15th 1925, to (name of buyer),
oder and Seine Order die Summe von :
or Order, the sum of :

100,000 (Hunderttausend Reichsmark) [1].
100,000 (one hundred thousand) Reichsmarks (1).

Wert in Waren (oder Dienstleistungen),
Value received in goods (or in services).

Unterschrift :
Signature :
Der bevollmächtigte Vertreter der Glaubigerregierung.
The authorised representative of the creditor Government.

An die Reichskreditgesellschaft A. G., Berlin.
To the Reichskreditgesellschaft A. G., Berlin.

Zahlbar bei der Reichsbank, Berlin.
Payable at the Reichsbank, Berlin.

REVERSE SIDE (RÜCKSEITE).

Zahlen Sie an die Order von (Name des Verkäufers)
Pay to the order of (Name of seller).

Wert in Waren (oder Dienstleistungen).
Value received in goods (or in services).
den 1925.
the 1925.

Unterschrift des Käufers.
Buyer's signature.

---

(1) Sieht der Vertrag für den Kaufpreis eine andere Währung als Rechnungsmünze vor so wird die Summe in der anderen Währung mit dem Hinzufügen ausgedrückt, dass sie in Reichsmark zu zahlen ist, z. B : "£ 5,000 zahlbar in Reichsmark".

(1) If the contract fixes a price expressed in another currency, as the money of account, the sum will be expressed in that currency, but with the remark that it is payable in Reichsmarks, for example : "£ 5,000 payable in Reichsmarks".

C. — FORM OF DAILY SUMMARY (1) FOR DRAFTS PAYABLE FIVE DAYS AFTER SIGHT ISSUED BY THE REPRESENTATIVE OF THE GOVERNMENT.

Lieu / Place — Date / Date

Le Représentant du Gouvernement
The Representative of the Government

A Monsieur l'Agent Général des Payments de Réparations.
To the Agent General for Reparation Payments.

Objet : Bordereau journalier n° } { de traites tirées.
Subject : Daily Summary No } { of drafts drawn.

Je soussigné, représentant autorisé du Gouvernement
I, the undersigned, authorised representative of the Government

certifie par la présente déclaration que les traites suivantes ont été tirées par moi le } (Date).
hereby certify that the following drafts were drawn by me on }

au titre de votre allocation n° } { pour la somme de }
under your allotment No } { for the amount of }

Ma signature sur ces traites constitue pour l'Agent Général la preuve de la réalité de la contrevaleur y mentionnée
My signature thereon constitutes conclusive evidence for the Agent General of the receipt of the consideration therein specified and an authorisation from my Government to the Agent General to pay the

et aussi l'autorisation de mon Gouvernement de payer le montant desdites traites conformément à leurs stipulations. Après payment, chaque traite constituera, pour son montant, la quittance de mon
amount of the aforesaid drafts according to their terms, each draft when paid to constitute the receipt of the Gouvernement à l'Agent Général.
Agent General from my Government for the amount of the draft.

NUMÉRO des TRAITES. — DRAFT No.	NUMÉRO des CONTRATS. — CONTRACT No.	NUMÉRO de L'ÉCHÉANCE. — PAYMENT No.	NOM DU PRODUCTEUR ALLEMAND. — NAME OF GERMAN SUPPLIER.	MONTANT DES TRAITES — AMOUNTS OF THE DRAFTS en REICHSMARKS. — in REICHSMARKS.	MONTANT DES TRAITES — AMOUNTS OF THE DRAFTS en AUTRES DEVISES. — in OTHER CURRENCIES.	DATE de PRÉSENTATION — DATE OF SIGHT.	DATE de L'ÉCHÉANCE. — DUE DATE.	PAYMENT MADE BY	PAYMENT CREDITED BY
Total des Traites tirées à la date ci-dessus / Total of drafts drawn on the above date.						Les quatre colonnes ci-dessus sont à l'usage des services de l'Agent Général. The four columns hereabove are to be filled in only by the Office of the Agent General.			
Total des bordereaux antérieurs au titre de l'allocation ci-dessus / Total of previous summaries under the above allotment.									
Reliquat disponible / expiré / Balance available / lapsed.									
Total de l'allocation / Total of allotment.									

Pour le Gouvernement
For the Government

(1) A similar form of summary will be used for orders to pay.

D. — FORM OF DAILY SUMMARY FOR TIME DRAFTS ISSUED BY THE REPRESENTATIVE OF THE GOVERNMENT.

Lieu / Place — Date / Date

Le Représentant du Gouvernement / The Representative of Government

A M. l'Agent Général des Payements de Réparations. / To the Agent General for Reparation Payments.

Objet : Bordereau journalier N° / *Subject :* Daily Summary N° } de traites tirées. / of drafts drawn.

Je soussigné, représentant autorisé du Gouvernement / I, the undersigned, authorised representative of the Government,

certifie par la présente déclaration que les traites suivantes ont été tirées par moi le / hereby certify that the following drafts were drawn by me on (Date

Ma signature sur ces traites constitue pour l'Agent général la / My signature thereon constitues conclusive evidence for the

preuve de la réalité de la contrevaleur y mentionnée et aussi l'autorisation / Agent General of the receipt of the consideration therein specified and

de mon Gouvernement, de payer le montant desdites traites conformément à / an authorisation from my Government to the Agent General to pay the amount

leurs stipulations. Après payement, chaque traite constituera pour son / of the aforesaid drafts according to their terms each draft when paid to

montant la quittance de mon Gouvernement à l'Agent Général. / constitute the receipt of the Agent General from my Government for the amount of the draft.

NUMÉRO des TRAITES. — DRAFT N°.	NUMÉRO des CONTRATS. — CONTRACT N°.	NUMÉRO de L'ÉCHÉANCE. — PAYMENT N°.	NOM DU PRODUCTEUR ALLEMAND. — NAME OF GERMAN SUPPLIER.	MONTANT DES TRAITES. — AMOUNT OF THE DRAFTS. En REICHSMARKS. — In REICHSMARKS.	En AUTRES DEVISES. — In OTHER CURRENCIES.	DATE de L'ÉCHÉANCE. — DUE DATE.	PAYMENT MADE BY.	PAYMENT CHECKED BY.
Total des traites tirées à / Total of drafts drawn on la date ci-dessus. / the above date.								

Dans le cas où l'Agent Général des Payements de Réparations ne serait / In the event that the Agent General for Reparation Payments is not

pas en mesure de fournir les fonds destinés à honorer une des traites / prepared to provide the funds needed to meet any of the above drafts at

précitées à son échéance, le Gouvernement s'engage par la / maturity, the Government hereby undertakes to place the

présente, à mettre les fonds nécessaires au payement de cette traite à la / necessary funds for the payment thereof, at the disposal of the

disposition de la Reichskreditgesellschaft à la Reichsbank de Berlin deux jours avant l'échéance. / Reichskreditgesellschaft at the Reichsbank, Berlin, two days before the maturity.

Pour le Gouvernement / For the Government

ANNEX III.

(This Annex is drawn up in French, English and German, the French text being authentic for purposes of interpretation [1]).

SPECIAL REGULATIONS FOR SULPHATE OF AMMONIA PREPARED BY SYNTHETIC PROCESSES AND THE OTHER SYNTHETHIC NITROGENOUS PRODUCTS.

A.

In view of the fact that the General Regulations may be revised on April 1, 1927, the Committee has abstained for this period from drawing up complete lists and definitely fixing the percentages and quantities prescribed in Clause 2 (*d*) of Annex II to the London Agreement. It has confined itself to drawing up at once a programme for the products which may be delivered during this period to creditor Governments, under the guarantee of the German Government as provided for in Clause 2 (*d*) of Annex II to the London Protocol.

B.

The commercial year for fertilisers runs from June 1. to May 31.

The Committee finds :

(*a*) That for the period between the present date and May 31st 1925, France alone is interested.

(*b*) That there exists a private contract betwen the Comptoir français de l'Azote and the Sticksstoffsyndikat.

(*c*) That the German Government raises no objection to the execution of this contract up to May 31, 1925;

(*d*) That it is therefore sufficient to fix a programme for the period June 1, 1925 to May 31. 1927.

C.

For this period, the Committee has agreed upon the following programme (annual quantities) :

1. *For France.* — 20,000 tons of nitrogen subdivided as follows :

   80 % in the form of sulphate of ammonia;
   10 % — hydrochloride of ammonia;
   4 % — urea;
   6 % — various nitrogenous fertilisers.

2. *For Belgium.* — 2,000 tons of nitrogen, viz :

   50 % in the form of sulphate of ammonia;
   25 % — sodium nitrate;
   25 % — sulphate of ammonia, urea or cyanamide (the percentage of urea not to exceed 4 %).

(1) As regards the text of the special agreements concluded or to be concluded under this Annex the text in the language in which they are drafted shall be authentic for purposes of interpretation.

3. *For Italy.* — 3,000 tons of nitrogen viz :

55 % in the form of sulphate of ammonia;
25 % — sodium nitrate;
15 % — nitrate of ammonia;
5 % — sulpho-nitrate of ammonia or sulphate of ammonia or urea (the percentage of urea not to exceed 4 %).

4. *In regard to the other Allied countries : Great Britain, Serbia, Portugal* and *Roumania* have declared that for the period in question they ask for no guarantee from the German Government.

Japan and *Greece* have not yet made known their decision but the quantities which might eventually be required by these Powers are too small materially to affect the question as a whole. The German Members reserve the right to express their views on the possible demands by Japan and Greece when such demands are made.

It is understood that the various categories of nitrogenous fertilisers mentioned above can be demanded only within the maximum proportions above fixed for each country in relation to the amount of sulphate of ammonia called for by that country. For Italy and Belgium the percentages have been fixed as above merely in consideration of the small quantity allotted for these countries.

D.

During the period contemplated, the guarantee of the German Government, as provided for in Clause 2 of Annex II to the London Protocol, will be limited to the quantities laid down in Section C above.

Further, as these quantities in Section C are in effect tantamount to options granted in favour of the creditor Powers, and as, moreover, it is customary in the fertiliser industry to give sufficient notice before the beginning of each fertiliser year, this guarantee will only operate, in the conditions laid down in Clause 2 (*d*) of Annex II to the London Agreement, in respect of the quantities for which applications for contracts, for each fertiliser year, have reached the German suppliers not later than March 31st in the case of France and not later than August 31st in the case of the other countries which are small consumers.

It is understood, however, that for France the time-limit of March 31st shall apply only to 15,000 tons of nitrogen, and that France shall have the right to demand the other 5,000 tons up to August 31st of each year.

The applications for contracts must include all the necessary specifications regarding quantities and the proportions required of the several products. These applications shall be valid if sent by registered letter to the Stickstoffsyndikat, as long as that body comprises all the German producers of synthetic nitrogenous products, and the German Government has not notified its abolition. In the event of such abolition, the German Government shall communicate, in the notification which it sends to the Office of the Reparation Commission, the full list of all the German producers of synthetic nitrogenous products and the applications addressed by registered letter to any of these producers will be deemed to be valid within the meaning of the present paragraph. Any dispute arising as to the validity of the applications will be settled by the American Citizen, Member of the Reparation Commission.

E.

It is understood that the procedure of the General Regulations for deliveries in kind shall apply, in the case of nitrogenous fertilisers, both for the passing of the contracts and for the payments under them.

F.

None of the foregoing provisions prejudices, in any way, the decisions which may be taken later for the period following the two years above contemplated.

ANNEX IV.

(This Annex and its appendices are drawn up in French, English and German, the three texts being equally authentic for purposes of interpretation, it being understood that in case of appeal to arbitration on the interpretation, and pending the decision of the Arbitral Tribunal for which provision is made in Article XI of the preceding Regulations, the interpretation considered by the Allied Government concerned to be the most favourable to the proper execution of deliveries in kind shall be taken to be correct.)

SPECIAL REGULATIONS FOR COAL, COKE AND LIGNITE.

(Report by the Sub-Committee on Coal, as approved by the Special Committee.)

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1. The programmes for coal deliveries to be made under Annex V to Part VIII of the Treaty of Versailles will be fixed by the Reparation Commission. The Experts consider that (provisionally) they should cover a period of three months and that it will be seen later whether it is possible to arrange for programmes of a longer duration. It is understood that these programmes are to be considered as definitive orders, subject, however, to any amendments which may be introduced in accordance with the articles hereinafter.

The division into qualities will be determined according to the demands of the receiving countries which hereby assert that they shall not be bound to call for dry smalls, semi-bituminous or flaming smalls (unwashed), Nussgruss, Fördergruss, ovoid full and briquettes. They also assert that their total demand for coking-slack may not be reduced by Germany to less than 300,000 tons per quarter and that, if after making this delivery of 300,000 tons and after satisfying the needs of the German cokeovens, there still remains a surplus from the German output of coking slack, the Allies shall be entitled to demand 20 % of such surplus.

Germany shall have regard to the demands of the receiving countries and the foregoing conditions in so far as neither are in conflict with the provisions of the Peace Treaty or of the London Protocol.

The producing coalfields of Germany which may normally participate in deliveries are: the Ruhr basin and the Aix basin for coal and coke and the Cologne basin for lignite.

It is understood, however, that the other German coalfields may participate in the deliveries after previous agreement between the parties concerned as to the particular conditions of delivery (price and quality).

The detailed programme giving coalfields, qualities, and categories, will be drawn up by agreement between the Reparation Commission, the Deutsche Kohlen Kommission, the

National Missions and the suppliers. Where the Aix basin is concerned, the needs of the Grand Duchy of Luxemburg will be taken into account.

The general programmes, giving the distribution of tonnage between countries must be communicated before the 15th of the last month before the quarter, so that the details of the distribution as to routes and qualities according to the demands of the receiving countries, may be settled at a meeting to be held at Essen between the 15th and the 20th. To this end, the programme will be drawn up at a special meeting of the competent experts and offices, which will be held at Paris on the 10th of the last month before each quarter, so that by the 15th at latest the Reparation Commission may be able to approve and notify it officially. The Allies will endeavour to give, about ten days before the official communication, as precise indications as possible as to the quantities and qualities which they contemplate including in their programme.

If sufficient indication of the details of the programme is not given before the 20th, and for this reason the mandatories of the German Government cannot ensure the execution of the programme within the proper time, the said Government may not be held responsible for any delays that might be caused in the deliveries, provided always that such delays do not exceed twice the number of days by which the ten-day minimum notice itself was overdue.

Except by special agreement with the delivering organisations, any change for which the Allies may ask between one total quarterly programme and the next shall not exceed 15 % of the entire tonnage, it being understood that the basic programme shall be the first quarterly programme drawn up after the coming into force of the present agreement.

The Allies may introduce a total difference of more than 15 % into the programme, but in this case the official notice of 15 days shall be increased to 3 months. It is understood that the Allies will not abuse this right, which may only be exercised in exceptional cases, and that they will not take advantage of it to draw up seasonal programmes.

The above restrictions would cease to be binding on the Allies :

(1) If there should be considerable modifications of the sums placed at the disposal of each of the receiving countries;

(2) If limitations were imposed by the Transfer Committee;

(3) If there should be considerable modifications in the classification into qualities, the prices of coal, or in the scales of qualities;

(4) If abnormal circumstances should modify to an appreciable extent the requirementsof a receiving country. Failing agreement a case such as this will be decided by the Reparation Commission or by some person appointed by it and selected from a country other than the countries concerned.

In the four above cases, the programme will be drawn up on fresh bases, having due regard to the new circumstances, but any changes that are made shall not affect the drawing up of the following programme.

Amendments may be made in the current programme in the event of force majeure, or if one of the conditions mentioned in the foregoing points (1), (2) and (3) is realised; such amendments shall take effect at theearliest practical date.

2. The commercial contracts concluded under Decision C. S. L. N. 28 (1) of the Special

(1) See Annex VII 7th Meeting, Extract 1.

Committee will be deducted from the deliveries prescribed under the total quarterly programmes referred to in Section 1 above.

For this purpose the countries concerned shall communicate to the Reparation Commission by the 15th of each month, the contracts to be executed in the following month, so that the quantities and qualities to be delivered for which the responsibility of the German Government is involved, may be determined.

In the event of the commercial contracts providing for qualities not included in the programmes fixed or exceeding the quantities therein prescribed, the reduction of the other qualities to be delivered will be arranged by agreement between the supplier and the receiver and failing such agreement, it will be effected pro rata with the quantities which, for each quality, were entered in the preceding programme.

It is understood that, in these cases, the minimum time limit of 10 days laid down in paragraph 8 of Section I, shall cease to be binding on the Allies as regards the amendment of the programme remaining to be delivered under the responsibility of the German Government, whenever the commercial contracts have been approved within the normal periods prescribed by the General Regulations.

3. Subject to the provisions of Clause 2 (c) of Annex II to the London Agreement, and as long as the Kohlen-Syndikat remains the mandatory of the German Government for the deliveries not regulated by commercial contracts, the Kohlen-Syndikat undertakes, in the distribution between the various mines of the quantities to be delivered, to take account, in so far as possible, of the wishes of the National Missions and to inform them, before the deliveries begin, of the distribution that has been decided upon, and also of any changes that may be introduced. It is understood, however, that such changes must not alter the distribution to any appreciable extent.

The Kohlen-Syndikat undertakes to supply fuel of the same quality and composition as now delivered.

The National Missions will be entitled to refuse to take fuel of a quality inferior to that now received (percentage of ash, moisture, sulphur, volatile matter, etc), and the Kohlen Syndikat undertakes to replace the quantities refused. As to coke, coking slack and certain washed products, however, the conditions of delivery are stated in Appendix I.

In regard to the qualities for which Appendix 1 does not lay down any qualifications the Sub-Committee is of opinion that, if the present average quality is not maintained in the total deliveries of each quality, it would be advisable to specify the exact qualifications that must be fulfilled.

When a series of refusals proves that the fuel from a mine is not up to the required standard, the Kohlen-Syndikat undertakes as a matter of urgency to examine the question with the National Mission concerned with a view to seeking a solution that will satisfy both parties.

If a specification is applied by the German producers for their German customers, the guarantees therein contained shall be valid for the Allies.

The supplier will endeavour to lessen the costs of transport payable by the receiving countries, having regard to the quantities at his disposal and all the interests involved.

The Sub-Committee considers that liability of the mines must be taken to mean the commercial liability of the mandatories of the German Government as regards the observance of the provisions of the present agreement, without prejudice, however, to the responsibility of the said Government.

This commercial liability is involved whenever the deliveries are short, and the shortage is not justified by cases of force majeure, so judged by common agreement or by arbitration.

For the definition of cases of force majeure, the experts agree to adopt the South Wales Coal Contract of 1919 for exported fuel (Appendix 2) on the understanding that, besides the cases of force majeure considered in that Contract, account must be taken of cases of force majeure which might impede navigation on the waterways usually employed.

It is understood, further, that in the event of transportation being held up on one of these routes, the transfer to other routes should be contemplated in order to avoid deficits as far as possible.

For deficits caused by duly proved cases of force majeure, the conditions for making up deficits (quantities and periods of delivery) will be settled by joint agreement between the mandatories of the German Government and those of the receiving country, the requirements of both sides being taken into account.

As to the fixing of damages incurred, it is agreed that :

(*a*) The deficits in the deliveries of one month which are not due to proved cases of force majeure, shall be delivered in the following month and invoiced at the price of the month of delivery or that of the month in which the delivery should have been made, whichever is the lower. For this purpose they will be accounted for with priority over the deliveries of the following month.

(*b*) When the deficits have exceeded 10 % of the quantity entered in the programme (taken separately for each quality and for each receiving country), a fine of 1 gold mark per ton shall be payable on any excess over 10 %.

(*c*) These same provisions apply *mutatis mutandis* if a receiving country is late in taking delivery of the consignments.

(*d*) The receiving countries will be liable for demurrage of the barges whenever they are responsible for the loss of time. In this connection it is agreed that when the charter party prescribes an inclusive time for loading and unloading, that time shall be divided into equal parts for each operation, the odd day, if any, being attributed to loading.

(*e*) The mandatory of the German Government will be liable, qua supplier, for demurrage for sea vessels, whenever he has failed in the regular execution of the programme.

(*f*) The mandatory of the German Government will be liable, qua transhipper, for demurrage of sea-going vessels whenever the transhipment has not been carried out in conformity with the procedure customary in the ports.

As to the payment for the supplies delivered by the mines, the Sub-Committee is of opinion that the system of instalments and monthly accounts now in force should be maintained. The conditions governing the payments are laid down in Appendix 3.

4. The re-exportation of reparation fuel in the form received is prohibited. The Allied Governments pledge themselves to punish all offenders against this rule. It is agreed, further, by way of exception, that the supply of locomotive coal for Reparation consignments via Austria shall not be considered as re-exportation.

The re-exportation of coke and briquettes made from reparation coal must not have the effect of creating advantages for the exporting countries to the prejudice either of Germany or of the other countries. Nevertheless, the parties directly concerned may come to an amicable agreement in the two following cases :

(*a*) Manufacture of briquettes in the Kehl district with material supplied simultaneously by German and non-German deliveries.

(*b*) Exchanges of coke between France and Luxembourg.

Further, as concerns Italy, the question of re-exportation will not arise as long as there is no considerable exportation from that country.

As to bunker coal, the Sub-Committee is agreed that, for coal destined for this use in the receiving countries, the question of re-exportation does not arise. It is decided that boats carrying reparation coal and flying the flag of the receiving country, may bunker out of reparation deliveries in the loading ports.

5. Apart from the general revision made by the Special Committee, it is understood that the present special regulations may be revised in respect of the technical conditions at the request made six months in advance by one or more of the parties concerned. The question will be discussed by a Committee of Experts, the Allied members of which will be appointed by the Reparation Commission and the German members by the German Government. The Committee's decisions will be submitted for the approval of the Reparation Commission and of the Transfer Committee in so far as it is concerned, it being understood that the decisions of the Committee of Experts shall not be modified without the consent of the German Government. In the case of dispute, the members of the Committee may co-opt an additional member of neutral nationality, appointed in agreement between the Allied and German members or failing such agreement by the Reparation Commission.

Furthermore, any new arrangement made by agreement between the parties concerned shall be embodied in the present Regulations, after submission for the approval of the Reparation Commission and of the Transfer Committee in so far as it is concerned, it being understood that any arrangements made by agreement between the parties shall not be modified without the consent of the German Government.

If however, there should be any change in the mandatories of the German Government the present Regulations would have to be adapted within one month's time to suit the new mandatories.

APPENDIX I TO ANNEX IV.

I. — SPECIFICATION OF QUALITIES.

1. Coke.

The coke shall be large metallurgical coke for large blast furnaces, and shall show a grey metallic lustre on fracture.

The coke will be considered normal if it contains the following percentages :

1. Ash (calculated for dry coke) up to 10 %.

2. Ash (calculated for dry coke), plus moisture (calculated for undried coke), plus sulphur (calculated for dry coke), up to 17 %.

The physical resistance of the coke must satisfy the conditions indicated in paragraph 5 of the Conditions of Tests.

The coke shall be loaded with forks having a clear space of 50 m/m. between the tines (edge to edge) or by apparatus for passing the coke on roller screens having clear spaces exceeding 60 m/m. or by fixed screens having a minimum length of 1.20 m. and a minimum space of 80 m/m between the bars. Any other apparatus which does not comply with these requirements shall first be submitted to the receiver for approval.

Breeze and dust shall be entirely eliminated from the loads and the incompletely coked portions from both ends of the oven must be carefully excluded. The floor of the trucks shall be swept before loading and the loads carefully levelled; trucks shall not be loaded to the maximum load unless side boards are employed to the extent considered sufficient by the receiver or unless the levelling of the loads is not thereby impaired.

Coke will be rejected if the following contents are exceeded :

Ash	13 %.
Water	15 %.
Sulphur	1.5 %.

Coke, the properties of which lie between those of normal coke and the specifications of the preceding paragraph may be accepted subject to the following allowances :

Moisture plus sulphur : 1.2 % of the tonnage per unit above 7.

Ash : 1.5 % of the tonnage per unit of ash above 10.

Prorata additions will be made for fractions of units.

Tonnage allowances will be calculated according to the monthly arithmetic mean of the analyses made, as indicated in the paragraph "Sampling and Analyses".

Tonnage bonuses for coke the contents of which are lower than those indicated for normal coke will be granted on the same bases.

2. Cokable coal.

Coking slack. — Coking slack shall not contain any appreciable quantity of Schlam.

It shall not contain more than 7.5 % of ash (calculated for dry fuel).

Any coking slack containing more than 10 % of ash will be rejected.

Coking slack containing between 7.5 % and 10 % of ash may be accepted subject to a tonnage allowance of 1.5 % of the tonnage per unit of ash over 7.5 %.

Tonnage bonuses in respect of ash percentages less than 7.5 % shall be granted under the same conditions.

Mixed smalls may be accepted if they comply with the foregoing general conditions, but they shall not be despatched without the consent of the consignee.

3. Nuts.

Nuts shall be accurately sized and delivered separately in sizes unless a special understanding exists with the receiving organisations.

They shall not contain any fine smalls at the time of loading.

Loading shall be carried out with the utmost care.

Nuts shall not contain more than 10 % of ash.

Nuts containing more than 10 % of ash will be rejected.

4. General conditions regarding moisture.

Unwashed coal shall be delivered only with its percentage of water of constitution and normal hygroscopic moisture.

Washed nuts shall contain less than 5 % of total moisture.

Consignments of washed nuts found to contain more than 5 % of moisture will involve the delivery of a further quantity calculated on the total tonnage delivered and corresponding to the excess percentage of moisture found.

The total percentage of moisture in washed slack shall not exceed 10 % (1).

Moisture contents in excess of 10 % shall be made good by tonnage allowances in such a way that the truck always contains a load of dry slack equal to 9/10 of the weight recorded.

II. — SAMPLING AND ANALYSES.

All sampling operations shall be carried out for each mine by the representatives of both parties; the required number of samples shall be selected and one sample shall remain at the mine for reference, carefully packed and sealed with the seal of the mine and of the reception organisations.

The analyses shall be made in the laboratories of the two parties an exchange being made not later than the fifth day after the selection of samples.

If the difference between the two results for one and the same sample does not exceed unity, the average of the two results shall be taken as final. If the discrepancy exceeds unity, an arbitral analysis shall be made with the reference sample under the conditions laid down.

It is to be understood that, with the exception of percentage of moisture, all other percentages (volatile matter, ash, sulphur, etc.) shall refer to dry fuel.

In general, the tonnage allowances provided for in the specifications of quality shall be calculated on the basis of the monthly arithmetic means of the analyses made.

III. — CONDITIONS OF TESTS.

The mines shall place at the disposal of the Inspectors and of the Reception Organisations the staff and material required for taking the samples.

The samples shall be prepared at the mine and the preparation shall be continued until a sample for the use of the laboratory is obtained (size less than 10 mm. for coal, pieces of 20 mm. for coke).

A representative of the mine shall be appointed to be present when the samples are selected, the latter operation being carried out under the supervision of an inspector designated by the Reception Organisation.

In addition to the samplings carried out conjointly with a view to obtaining samples which will, as far as possible, represent an average load, the inspectors of the Reception Organisation may select any samples of coal or coke which they may deem necessary for the purpose of conveying an adequate indication of the quality of the fuel.

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(1) This percentage of moisture agrees with German commercial practice in which the price of slack allows for 10 % of moisture.

In the case of joint examination necessitated, for example, by a disputed rejection, a joint sampling may also be made, the results of which will be taken into account in the monthly averages for the coal in question.

A. — SAMPLING.

This shall take place at the mine, either at the time of loading or in the trucks ready for despatch. The latter procedure only shall be adopted if so desired by the Reception Organisation. At least one sampling per week shall be made for each mine and for each quality and kind of fuel.

For loadings at the canal or Rhine ports carried out through the intermediary of « Kübelwagen », the sampling shall take place when the barges are being loaded in the case of trains in the course of transhipment.

A qualified representative of the mining company will always be present when coal is being loaded at the ports (except at the port of Duisburg-Ruhrort) and when sampling is taking place.

1. *Slack.* — Samples may be taken either during loading or from wagons already loaded. Samples for determining the percentage of moisture shall always be taken from loaded trucks at the time of weighing.

If samples are taken during loading, a number of shovelfuls shall be taken, at equal intervals of time, sufficient to make a sample of about 50 kilos per truck.

If samples are taken after loading, they shall be taken from each truck by deep soundings from the surface downwards so as to obtain from a number of different places a quantity of about 50 kilos per truck. In exceptional cases the doors may be opened.

For the sampling of a train two trucks may be considered as a single unit.

The samples thus taken from each truck of the train will then be mixed together, and the total sample thus obtained will be reduced by the usual method of the rejection of opposite sectors with a view to the final selection of three identical samples of at least 500 grammes each.

2. *Nuts.* — Sampling during loading shall be carried out in the same way as for slack.

A loaded truck shall be sampled by making numerous deep soundings, and in exceptional cases a door may be opened and a sufficient quantity unloaded to give access to the entire section. In such a case shovelfuls shall be taken from various places of this section.

The total sample shall be about 100 kilos.

For several trucks soundings shall be made in the middle and at each corner, from the surface down, and in exceptional cases the doors may be opened. Two trucks may be considered to form a single unit in taking samples.

The samples taken from each truck shall be mixed together and the mixed sample thus obtained shall be reduced by crushing and by the usual method of sectors.

The reduction shall be carried out on a clean surface until it is possible to divide the average sample into three parts of at least 500 grammes, which shall be hermetically sealed in boxes.

In order to determine the percentage of moisture, the samples shall only be taken from loaded trucks at the time of weighing, as prescribed above.

3. *Coke.* — If the loading is done by hand, the samples shall be made up of one or two forkfuls per loader on the bench on which the coke is discharged from the oven ; if the loading

is mechanical, the samples shall be taken ordinarily as the coke is dumped into the trucks. If the sample is taken from a train of trucks loaded and weighed (the weight of the trucks having been verified at the weigh-bridge) it may in exceptional cases be taken with a shovel out of the entire section of a truck selected from the train at random by the consignee, the door of which shall have been opened at his request.

The sample may amount to as much as one-thousandth of the total tonnage to be despatched, but must not be less than 75 kilos. The sample shall be immediately crushed to pieces of a size of about 2 cm. on an iron floor, at the temperature of the surrounding atmosphere. The broken coke shall be reduced by the method of sectors to a quantity which may be divided into three samples of from 600 to 800 grammes each.

B. — ANALYSES.

1. Method of determining the percentage of Moisture.

a) *Coal.* — It will not be necessary to dry the whole of the sample brought to the laboratory in a sealed box; the coal will be well mixed at the laboratory, and reduced to about 200 grammes by the method of opposite sectors; if necessary, pieces which appear to be too large can be quickly broken.

This reduction shall be carried out rapidly and without interruption. The sample of 200 grammes will be put in an iron or aluminium container and placed in the oven. The temperature shall be maintained at 100° C. and the coal dried until the weight remains constant. The containers shall be weighed cold after cooling in a dry atmosphere.

b) *Coke.* — The operation shall be the same as for coal, a sample being taken of from 200 to 500 grammes and the crushing being reduced to the minimum at the laboratory. The coke shall be dried in the oven at 120° C. until the weight remains constant. The samples shall be weighed cold, after cooling in a dry atmosphere.

2. Pulverising of Samples.

As soon as the percentage of moisture is taken, the dry coal shall be passed through a mill after having been completely pulverised in a mortar if necessary.

The coke shall be pulverised only in a mortar.

The pulverised sample shall be placed on a sheet of clean paper, very carefully mixed, flattened into a cake and divided into four sectors by two grooves at right angles. The opposite sectors shall be removed, mixed with the others, and flattened into a cake from which small spoonfuls of coal of a total weight of from 6 to 7 grammes shall be taken at random.

This final sample shall be used for the various analyses; it shall be finely ground in a clean porcelain or agate mortar.

3. Method of determining the percentage of ash.

Coal. — Two small porcelain crucibles are used in which 1 gramme of the pulverised sample is weighed. The crucibles are then placed in a cold muffle furnace to be heated slowly to a temperature of from 800° to 850°. When the coal has been completely reduced to ash, the crucibles are cooled in a dessicator and weighed again, and the ash is weighed on the balance used for the raw coal. If the results do not agree within a margin of about 0.2 %, the analysis shall be repeated.

To ascertain whether the incineration is fully completed a few drops of alcohol are sprinkled over the ash, and if any black particles appear on the surface the alcohol is evaporated in the water-bath and a further incineration is made.

Coke. — The operation is the same as for coal, but the mufflenеed not be cold when the crucibles are placed in it.

4. Method of determining the percentage of sulphur in coking coal and coke.

As regards the total amount of sulphur only, this shall be measured, by always analysing two samples of 1 gramme each. Eschka's method shall be adopted, which is as follows :

One gramme of finely powdered coal or coke shall be thoroughly mixed in a platinum crucible with two grammes of Eschka's mixture composed of two parts of calcined magnesia free from sulphur, and one part of anhydrous carbonate of soda free from sulphur.

When the mixing is completed it is covered with 1 gramme of Eschka's mixture; it is calcined in a red-hot electric furnace without covering the crucible. This operation shall not be carried out in a muffle in which other samples are being incinerated. The percentage of sulphur in the Eschka's mixture is determined at the same time by heating three grammes of the mixture according to the same method and at the side of the first crucible.

After cooling, the contents of the crucibles are poured into a beaker containing water to which bromine water is added until it becomes yellow. The particles adhering to the crucible are washed with a little water which is then added to the contents of the beaker. The beaker is heated for a short time, the contents are filtered and washed with warm distilled water. The filtrate is acidified with hydrochloric acid and heated until the odour of bromine has disappeared. Lastly, the insoluble barium sulphate is precipitated by rapidly adding to the boiling liquid 10 c.cms. of a hot 12 % solution of barium chloride. This precipitate is washed, filtered, calcined and weighed in the usual manner.

5. Method of determining physical resistance.

Coke. — The coke shall be tested in a sheet iron cylindrical drum 1 metre in diameter and 1 metre long. This drum shall be fitted internally with four angle-irons with 100 mm. sides fixed along four generating lines f the cylinder at intervals of 90°. The coke shall be placed in the testing drum through a 500 × 500 mm. door curved to the shape of the cylinder, and hinged along one of its generating lines.

The drum shall be capable of unifom rotation, by motor, at the rate of 25 revolutions per minute. The rotation shall be such that the projecting side of each angle-iron shall precede the side fixed to the cylinder.

Each experiment to determine the dynamic resistance of coke shall be made with 50 kilos of coke. This shall be placed inthe testing drum, which shall rotate on its horizontal axis 100 times in 4 minutes; the margin of error allowed for the 100 revolutions shall be 10 seconds more or less than 4 minutes. A test shall involve four successive experiments on the same coke, utilising 200 kilos of coke in all. The results adopted in the test shall be the arithmetical mean of the results of the four experiments.

The test shall, in so far as possible, be carried out with coke loaded on trucks intended for the receiver, and taken at random from a loaded train or one being loaded. In exceptional cases the door of a truck may be opened and the coke for the test taken as it comes.

Every operation shall be carried out as follows :

A quantity of coke weighing about 50 kilos shall be taken with a fork with a clear space of 50 mm. between the tines, and shall be weighed in a metal container. The pieces of coke shall be placed in the drum by hand, only the last small pieces being poured in. The drum shall make 100 revolutions in the conditions set forth above.

After this operation the coke shall be screened twice through a sheet iron screen with circular holes 40 mm. in diameter.

For coke to be accepted, more than 72 % must be intercepted by the screen.

Tests shall be made either at the test laboratories of the National Missions or at a mine provided with a regular testing drum.

Tests shall be made in the presence of a qualified representative of the coke oven and of a receiving agent.

APPENDIX 2 TO ANNNEX IV.

SOUTH WALES COAL CONTRACT, 1919 (EXPORT).

MEMORANDUM OF AGREEMENT at..... this..... day of..... 19..... between..... of..... hereinafter called the "Vendors" and..... hereinafter called the "Purchasers".

1. *Quantity.* — The Vendors agree to sell and the Purchasers agree to buy ..... tons of..... coal on the following conditions.

2. *Delivery.* — The Purchasers will provide tonnage..... to take delivery of the Coal between the..... and the..... in as nearly as possible equal proportions per calendar month. Such delivery shall be f. o. b. at one of the following docks..... as ordered, on application to the Vendors, before Ship's arrival.

3. *Loading.* — The time for loading to be mutually agreed between the Purchasers and the Vendors when each vessel is placed on stem, but shall not in any case be less than the under-mentioned number of hours, and being subject in the case of Steam Vessels to the conditions and exceptions of Clauses 2 and 3 of the Chamber of Shipping Welsh Coal Charter 1896, as amended in 1912, and in the case of Sailing Vessels to the usual printed Form of Guarantee. In the event of the Purchasers and Vendors not being able mutually to arrange a stem the Purchasers shall have the right to place a vessel on stem for the portion of the month's deliveries then due on giving seven days' notice to the Vendors, in which case the Vendors shall be allowed for loading steamers up to and including 2,000 tons cargo 6 hours per 100 tons, but no steamer's loading time shall be less than 48 hours. After the 2,000 tons limit the scale to be 4 hours per 100 tons on the additionnal quantity.

4. *Trimming.* — The trimming of all coal either for cargoes or bunkers shall be done by

Trimmers who shall be some qualified persons selected by the Vendors or their Agents, and shall be employed by the Purchasers at the Tariff Rates of the Port. The whole of such cargo and such bunkers to be trimmed by the one lot of men thus selected. In the case of mixed cargoes the Colliery Company supplying the largest portion of the Cargo shall be entitled to nominate the trimmers for cargo and bunkers except when the Purchasers are Colliery Proprietors and are the actual shippers of the whole cargo in which case the Purchasers shall be entitled to select the trimmers.

The Vendors shall be entitled in all cases where trimming is done by men selected by them to recover from the Purchasers all trimming charges, etc..... payable by them.

The Vendors shall not be responsible for fire, explosion or accident in connection with the trimming or for any act, default or negligence of the trimmers.

5. *Wharfage.* — The Purchasers undertake to pay the Vendors or the Dock Company the usual Wharfage charges.

6. *Mixing Charges.* — Mixing Charges, if any, to be paid by the Purchasers.

7. *Taxes.* — Any Coal Export or other tax which may be imposed during the currency of this Contract to be paid by the Purchasers in addition to the Contract Price.

8. *Quality and weights.* — The Purchasers may inspect the Coal in the Wagons on the Tip Road at the place of shipment, and any objection to quality or condition shall be raised before shipment or be deemed to be waived. The returns of weight as ascertained at the Loading Tips by the Dock or Railway Company shall be final and conclusive for all purposes whatsoever.

9. *Price.* — The Purchasers shall pay the Vendors the Price of..... per ton for Colliery Screened Coal 1/– extra per ton if Single Screened at time of Shipment 1/6 extra per ton if Double Screened at time of Shipment.
..... per ton for ..... Coal.

10. *Payment.* — The Purchasers shall, at Vendor's option, make payment in cash before shipment or net cash within 7 days after shipment.

11. *Strikes and accidents.* — In the event of strike or lock out or of a stoppage or partial stoppage of the Vendor's Pits or Washeries or any of them, or on the Railway or Railways over which the Vendor's traffic is usually carried between any of the Vendor's Pits and the place of shipment, or at the Dock named as the place of shipment, or of a suspension of work by Trimmers; or Dock, Railway, or other hands connected with the working, delivery or shipment of the said coal, or from any cause whatever, whether or not of the same nature the Vendors shall not be called upon to deliver any coal during a total stoppage, and in the event of a partial stoppage, the Vendors shall be entitled to a reduction in the deliveries proportionate to the reduction in their output available for shipment. No liability shall attach to the Vendors for any such default of shipment, notwithstanding the fact that during such period coal may have been shipped by them. The time within which the above named quantities are to be taken and delivered shall be extended for a period at least equal to that during which deliveries are suspended or partially suspended.

12. *Insolvency.* — In case of default on the part of the Purchasers in making any payment on the dates specified the Vendors may suspend deliveries until such payment is made and it

shall be at their option whether they will afterwards make up any deficiency in deliveries so caused or cancel the Contract or if the Purchasers shall have been declared bankrupt, called any meeting of their creditors; or made any acknowledgment of their inability to pay their debts in full, it shall be at the Vendor's option to declare the Contract null and void.

13. *Damage for failure to take or deliver.* — Purchasers agree in the event of their failing to charter and stem tonnage to take in any month their regular monthly quantity in accordance with the terms of this Contract to pay to the Vendors as and for liquidated damages one shilling per ton or the difference between the current price on the last day of such month and the contract price on the quantity they have so failed to take at Vendors' option, and the Vendors agree that in the event of their inability to accept tonnage to take in any month the regular monthly quantity in accordance with the terms of this Contract, to pay to the Purchasers as and for liquidated damages one shilling per ton or the difference between the current price on the last day of such month and the contract price on the quantity for which they have been unable to accept tonnage, at Purchasers' option.

14. *Prohibition of re-sale in the United Kingdom.* — The Purchasers undertake, the whole of the Coal herein-named being purchased by them for "bona fide" exportation, that no part of it will be sold by them, either directly or indirectly, to any export Merchants or other person or persons in the United Kingdom, and that none of this Coal shall be sent to the Vendor's excepted ports, which are.....

This clause does not apply to coal resold DIRECT for shipment, as bunkers at ports in the United Kingdom.

The Purchasers agree to pay to the Vendors as liquidated damages :

3/- Per ton for every ton sold in violation of this clause, or the Vendors may, at their option, decline to make further deliveries under this Contract.

15. *War.* — In the event of the United Kingdom being at War with any first-class Power, or in the event of any interference with or prohibition by the British Government of the export of Welsh Coal, the quantity due for delivery under this Contract during the period over which any such war interference or prohibition shall extend shall be cancelled.

This Contract is subject to the directions of the Board of Trade.

16. *Re-Sale.* — The Purchasers undertake that the above coal shall not be re-sold under any specific guarantee as to quality.

The Purchasers agree to pay to the Vendors, as liquidated damages :

3/- Per ton for every ton sold in violation of this Clause, or the Vendors may, at their option, decline to make further deliveries under this Contract.

APPENDIX 3 TO ANNEX IV.

PROCEDURE FOR PAYMENTS FOR FUEL.

Fuel will be paid for by means of ten day instalments and monthly accounts.

The instalments will be calculated according to the prices in the « Reichsanzeiger », considered as a provisional basis for the invoices, account being taken of the supplements or reductions of price applicable to certain sources, provided always that these amendments do not essentially affect the basis for the tariffs, that the lists are sent each month to the Reparation Commission and that they are certified by the German Government.

The instalments will represent 90 % of the value thus obtained for the whole of the deliveries for the ten days. They will be paid, at the end of the ten days, on presentation of the vouchers produced by the supplier, by means of an order for payment issued by the receiving country, in the name of the German Government or its mandatory and addressed to the Agent for Payments.

The monthly accounts will be drawn up according to the definitive prices fixed by the Reparation Commission, in accordance with the provisions of the Peace Treaty; they will form the subject of a supplementary order. Payment for deliveries by rail and waterway (Upper or Lower Rhine) will be effected separately, as laid down in the following paragraphs.

As regards lignite briquettes, since the definitive invoiced prices will be the result of special agreements concluded in advance, the contracting parties will be able to provide for the payment of ten day instalments up to 95 %.

I. — DELIVERIES BY RAIL.

Immediately after the close of each ten day period, the supplier (syndicates or mines) will send to each National Mission a statement of the consignments despatched during the ten day period, showing the mines or Konzerne of origin, the quantity supplied of each quality, the respective prices and the total amount of the deliveries made. To this statement will be attached the declaration of the mines or Konzerne, certifying that the consignments have actually been despatched on the basis of this statement; the National Mission will issue an order for payment for a sum equal to 90 % of the total, in favour of the German Government or its mandatory and will address it to the Agent for Payments.

In addition, for each month, a summary will be made of all the consignments despatched for each of the receiving countries, bearing the same indications as the ten day statements but showing the definitive prices fixed by the Reparation Commission.

Further, this statement must take into account premiums or penalties corresponding to the quality delivered, and the trucks which have not crossed the German frontier, which must be deducted. It will be drawn up, in principle, at the end of the month following the month of delivery in order that all trucks despatched from the mines, with few exceptions, may have had time to cross the frontier.

On receiving the monthly account, the National Mission will issue the order covering the outstanding balance, in favour of the German Government or its mandatory and will address it to the Agent General.

The trucks deducted will be included in the next account, provided that they have arrived: similarly it is understood that any error discovered, even after the orders considered final have been issued, will be rectified in the next payment to be made after the discovery of the error.

II. — DELIVERIES BY WATERWAY.

The instalments and accounts will be calculated and paid according to the same proce dure as for deliveries by rail. It is stipulated however that, in the absence of special agreements, the following provisions shall apply.

The date to be considered will be the date on the bill of lading (or the manifest in the case of the Upper Rhine) of the barge.

The weight will be the weight entered on this bill of lading (or manifest for the Upper Rhine) it being understood that this will always be determined by gauge readings and that it will be finally adopted as taken at the departure from the Ruhr port.

The certificates of the mines provided for the payment of deliveries by rail will not be

supplied for deliveries by waterway, their place being taken by a copy of the bill of lading (or manifest for the Upper Rhine) which must be attached to the invoices. The invoices must give details as to loading by the mines of origin, in order that account may be taken of the special prices valid for the different mines.

In any case, the provisions of this paragraph apply to deliveries loaded directly on to barges at the private ports of the mines. They apply to deliveries transhipped at Duisburg-Ruhrort in so far as the costs of transport and miscellaneous costs from the mines to f. o. b. Duisburg-Ruhrort are included in a special forfait or a more general forfait comprising other elements. In the absence of such forfaits, the invoicing of the deliveries transhipped at Duisburg-Ruhrort will be effected in the same conditions as those for deliveries by rail.

ANNEX V.

(This Annex and its appendices are drawn up in French, English and German, the three texts being equally authentic for purposes of interpretation, it being understood that in case of appeal to arbitration on the interpretation, and pending the decision of the Arbitral Tribunal, for which provision is made in Article XI of the preceding Regulations, the interpretation considered by the Allied Government concerned to be the most favourable to the proper execution of deliveries in kind shall be taken to be correct.

SPECIAL REGULATIONS
FOR THE TRANSPORT OF COAL, COKE AND LIGNITE.

(Report by the Sub-Committee on Coal and on Transport as approved by the Special Committee.)

By its note No.C.S.L.N. 58 of December 5, 1924, the Special Committee on Deliveries in Kind asked the Sub-Committee on Coal to submit, in co-operation with the Sub-Committee on Transport, proposals concerning the transport of the coal delivered by the German Government under Annex V to Part VIII of the Treaty of Versailles, particularly in respect of certain points specially dealt with in the note.

Having regard to the special agreements concluded between the various receiving countries and Germany which ignore questions of principle and give reasonable satisfaction to all parties, the Sub-Committee submits the following proposals for the regulation of the transport of coal :

I. — TRANSPORT BY RAIL.

(a) *Who shall despatch the consignments ?*

The fuel shall be despatched by the mine which has received the order to make delivery.

(b) *Tonnage to be despatched by the various routes.*

For the transport of coal delivered under Annex V to Part VIII of the Treaty of Versailles a programme showing the routes to be followed shall be drawn up each month by the Reparation Commission on the proposals of the receiving countries.

In so far as possible this programme shall be notified fifteen days in advance to the

organisations concerned for the final settling of details by agreement between suppliers, consignees and officially appointed carriers, who shall, in the absence of special agreement between the parties concerned, apply the general principles of international transport.

Should the programme be notified less than 10 days beforehand and the German railways in consequence are unable to ensure the execution of the programme in due time, the German Government would not be held responsible for any delay in delivery, provided always that such delay does not exceed twice the number of days by which the ten-day minimum notice is itself overdue.

(c) *Direct consignments to point of unloading within the receiving country or to an intermediate point from which the consignment will be sent to its final destination.*

Consignments shall be sent direct.

In regard to France, Belgium and Luxemburg, however, consignments shall be sent either direct or, in accordance with the Paris agreement of November 27th, 1924, to one of the intermediate stations of Aix-Ouest, Stolberg, Ehrang or possibly Walheim, where they shall be relabelled.

In the latter case the German rates shall be applied throughout as far as the frontier, and the receiving organisations shall bear the cost of staff and office expenditure incurred in the relabelling in the intermediate stations.

The charges for the detention of wagons in the stations of Aix-Ouest Stolberg, Ehrang and possibly Walheim, shall be paid by the receiving organisation at the German rates, whenever the demurrage is due to operations carried out in these stations by this organisation.

These charges shall be computed conjointly by the organisation concerned and the local representatives of the Deutsche Reichsbahn Gesellschaft.

d) *Authentic weight for purposes of invoicing.*

The way bills shall always show the weight declared at the pithead, certified by the mine agents who are recognised by the German railways, and this weight shall be binding on the German railways in case of loss of weight officially noted on arrival.

In regard to consignments relabelled in an intermediate station in order that the weight declared on departure shall remain binding on the German railways in case of loss of weight officially noted on arrival, the technical bureau which draws up the new way bill must copy the weights given in the original bill and must certify the copy to be correct.

II. — PAYMENT OF CHARGES FOR TRANSPORT BY RAIL.

(a) *Transport within Germany.*

The charges to be paid are the charges for transport and for shunting and the supplementary charges.

These charges shall be paid according to the agreements given in Appendix I and according to the tariffs in force.

(b) *Transport across intermediate countries.*

So long as the Agent General for Reparation Payments refuses to pay the costs of transport across intermediate countries, the receiving countries will themselves pay such charges to the railways concerned.

The situation will be reconsidered when the Agent for Payments resumes these payments.

III. — TRANSPORT BY WATER.

(a) *Organisation of chartering.*

In the absence of special agreement, the chartering shall be carried out by the German Government, directly or by organisations chosen by itself, but so as not to lessen the Government's responsibility or increase the charges for the receiving countries.

It is however understood that, in order to ensure the regular and economical execution of the transport, there shall be close collaboration between the mandatories of the German Government (suppliers and carriers) and those of the receiving countries.

This collaboration shall be exercised both in the drawing up of the monthly programme of loading and transport and in the daily execution of this programme, in order, *inter alia* to adapt it within reasonable limits to the number of vessels available in the sea ports.

The Allied mandatories shall have the right to obtain from the German mandatory all necessary information as to the freight market.

Except in specially urgent cases, the German mandatory shall not charter vessels without previous agreement with the mandatories of the receiving countries. The mandatory of the German Government shall moreover give serious attention to all proposals for chartering made to him by the mandatories of the receiving countries.

The mandatories of both parties must do their utmost to avoid disturbing the market or causing irregularities in the working of deliveries.

(b) *Fixing of the freight and conditions of chartering.*

Upper Rhine. — For fuel delivered in the ports of the Upper Rhine or passing through these ports, unless a special agreement is concluded for delivery free on wagon or barge at these ports, the consignee countries have the right to choose between the payment of the actual charges for transport and the adoption, as a flat rate, of the official supplements (less 5 %) for the various ports published in the Reichsanzeiger.

If the flat rate be adopted, it is further specified that the tonnage taken into account for invoicing the fuel is the tonnage registered on the departure of the barges, and that if it is necessary to stock the fuel en route, the charges involved shall be dealt with separately. However neither these conditions nor the 5 % reduction apply to deliveries of lignite briquettes from Cologne.

The method selected will be valid for periods of one year. It may be denounced by the consignee countries on previous notice given two months before the close of any annual period.

The first annual period will close on December 31st, 1925.

The choice of one or other method will be the result of a special agreement concluded between each of the consignee countries and the German Government.

The statement of the actual charges for transport will be established in accordance with the procedure laid down in Annex II.

In the event of the application of the Reichsanzeiger supplements for the Upper Rhine, the statement will be drawn up according to the procedure laid down in Appendix 3.

Lower Rhine. — For transport to the Lower Rhine, the consignee countries may choose between the statement of charges for transport calculated on the basis of the actual charges involved and that obtained by applying the conditions and average daily freight rate on the Ruhrort Freight Exchange.

This choice will hold good for periods of at least six months which may be terminated by the receiving country on giving one month's notice. The choice will be the result of a special agreement between each consignee country and the German Government.

Should the custom of the port of Duisburg-Ruhrort, for the payment for the services of the freighter be generally modified, the consignee countries would examine with the German Government the measures to be taken in consequence.

(c) *Procedure for loading operations at the ports on the Rhine and the Rhine-Herne Canal.*

The loading at the ports of Duisburg-Ruhrort, the Rhine ports and the Canal Ports, the cost of towage and the lock dues, will be invoiced according to the charges actually incurred, at the most favourables rates. The parties agree, however, that it is more practical to apply to the deliveries of the Lower Rhine a flat rate including all charges for transport and loading from the pithead to free on barge in the Duisburg-Ruhrort and Rhine ports, or up to the time at which the Canal barges are taken in tow on the Rhine. These various prices will be calculated on the tonnage entered in the bill of lading of the barges.

For the deliveries on the Upper Rhine there is no question of calculating the charges included in the above-mentioned flat rate if the Reichsanzeiger supplement be adopted as the basis for the invoice.

The places of transhipment of Reparation deliveries in the port of Ruhrort will be chosen so as to facilitate the checking and loading operations as much as possible. The details will be settled on the spot by agreement between the representatives of both parties.

The barges transporting Reparation coal will be treated in all respects, at the ports of loading, in accordance with the general conditions allowed to German traders, in particular in the Canal, as regards locking and towing and the application of tariffs.

It is understood moreover that all boats transporting Reparation coal will be treated in the Belgian and French unloading ports on a footing of perfect equality, without any preference whatever in favour of any party.

(d) *Transhipment at seaports.*

The German Government or its mandatory promises to take the necessary steps to ensure that the charge for the transhipments effected by Germany at seaports shall be reasonable. If it is found that, in a general way, lower competitive rates are quoted, and if the transactions taken as criterion are founded on a stable commercial basis and involve services of the same nature, the German Government or its agent will consider a reduction of charges. It is agreed further that the parties will adopt conjointly all necessary measures to regulate in the best possible manner the submission and loading of sea-going vessels.

IV. — PAYMENT OF CHARGES FOR TRANSPORT BY WATER.

(a) *Tonnage to be taken as basis for payment.*

For deliveries in seaports or in the Upper Rhine ports, the charges for transport, from Ruhrort, will be determined on the basis of the tonnage ascertained on arrival according to the official certificate of gauge readings or any other specification resulting from the contract of transport.

For other deliveries by the Lower Rhine, the charges for transport will be determined according to the tonnage entered on the boat's bill of lading.

In the event of a flat rate being fixed for the charge for transport from the mine, till delivered into barge Ruhrort, this flat rate will be reckoned on the tonnage entered on the bill of lading. Otherwise the charges will be calculated according to current custom.

(b) *Conditions of payment.*

Upper Rhine. — The charges for transport will be paid in full at intervals of ten days, by means of orders to pay issued by the National Missions in favour of the German Government or its mandatory and addressed to the Agent for Payments.

In case the supplements of the Reichsanzeiger are adopted, these supplements will be payable according to the date of completion of discharge of the barges at their destination. Otherwise, the charges for transport from the mine till delivered into barge Ruhrort will be payable according to the date of the bill of lading and other charges according to the date of completion of discharge of the barges at their destination.

For barges held up en route in consequence of damage, the partial freight shall be finally determined according to the tonnage entered on the bill of lading.

Lower Rhine. — The charges for transport will be paid by instalments every ten days and monthly accounts, by means of orders to pay issued by the National Missions in favour of the German Government or its mandatory and addressed to the Agent for Payments. The instalments will be calculated according to the date and the tonnage entered on the bill of lading; their amount will be 95 %.

The monthly accounts will show all the barges of the three ten-day statements, but with the tonnage as ascertained on arrival; they will serve to calculate the balance payable.

In case of stoppage en route in consequence of damage, the freight payable will be finally charged according to the tonnage entered on the bill of lading.

In the case of Belgium, who receives her coal direct, the freight calculated on the weight given in the bill of lading on departure will be paid by means of ten-day advances authorised by the Belgian State up to three-fifths of the freight to Antwerp for large boats. These advances relate to the participation of Belgian shipping in the consignments to Belgium, according to the special agreement of January 31, 1925. The freight relating to German participation in this transport will be paid every ten days by means of orders to pay issued in favour of the German Government or its mandatory and addressed to the Agent for Payments.

For direct consignments to France, ten-day statements will be made up according to the date of the bill of lading; that part of the freight repayable by the Agent for Payments will be calculated according to the freight from Ruhrort to the French frontier and according to the tonnage entered on the bill of lading.

(c) *Payment of supplementary charges.*

The charge for transhipment at seaports will be paid at the end of the month according to the tonnage registered at the ports in question.

Other supplementary charges which may be payable by the receiving countries will be charged in special invoices at the time of the ten-day or monthly payments.

APPENDIX 1 TO ANNEX V.

PAYMENT OF CHARGES FOR TRANSPORT FOR DELIVERIES FROM THE RUHR AND AIX BASINS.

The charges for transport will be paid in instalments equal approximately to the amount of such charges for each ten-day period, calculated as stated below, by means of orders to pay issued by the National Missions in favour of the Reichsbahn and addressed to the Agent for Payments. This payment should be made on the 5th of the month for the first decade, on the 11th for the second and on the 21st for the third.

In return, the Reichsbahn undertakes to waive the supplementary charges provided for in its new regulations (Frachtenstundungsverfahren).

It is specified that this method of payment by advances applies only to direct consignments or reconsignments by rail as far as the frontier; it therefore does not apply to consignments from the mines to Ruhrort, which will be the subject of a direct agreement between the Reichsbahn and the Kohlen Syndikat.

The advances will be calculated on the items of the monthly programme and on the following bases :

Starting points :

Gelsenkirchen Hbf., for the Ruhr basin ;
Stolberg, for the Aix basin ;
Mannheim or Kehl, for the re-consignments provided for beyond these ports, in the Italian programme.

Points of transit :

Montzen frontier, for the stations of the Aix region ;
Sierck frontier, for consignments to Alsace ;
Bâle (Baden frontier), Kufstein frontier, for consignments to Italy via these points.

At the end of the month following delivery the Reichsbahn will draw up a final monthly statement taking account of the charges actually incurred, of errors, and of trucks that have not passed the frontier. The balance of this monthly statement, after deducting the ten-day advances and the rectifications already made on the basis of the ten-day statements, will be included in the amount of the first order to pay to be issued.

APPENDIX 2 TO ANNEX V.

ACTUAL CHARGES FOR TRANSPORT TO THE UPPER RHINE.

I. — The charges for transport from the mine till delivered into barge Ruhr ports will be based on the same principles as the charges for transport to the Lower Rhine. They will

be calculated on the tonnage entered on the bill of lading of the boat, this tonnage being determined by gauge readings taken when empty and loaded.

II. — The actual charges for transport from free-on-barge Ruhrort to the ports of unloading on the Upper Rhine will be calculated on the tonnage ascertained on arrival as given in the official certificate of gauge readings, or on any other basis specified in the transportation contract, either :

according to the conditions peculiar to each barge, in which case the general formula of collaboration will be applied *in toto*, it being specified however that transport shall be assured preferably by contracts for definite quantities and periods, or :

by the uniform adoption of the mean rate of the daily quotations for the week on the Ruhrort Exchange, in which case the general formula of collaboration must be amended as to the special clause which makes the chartering subject to previous agreement with the receiving organisation in regard to the fixing of the freight.

The receiving organisations shall have the choice between these two methods; the option shall be exercised for six months within the limits of the option provided for in Section III (b) of Annex V, with one month's notice.

III. — If the calculation is based on the average quotations of the week, it is specified that the account shall be drawn up as follows :

Freight. — If the quotations are made at a flat rate per ton loaded, the basis shall be the average of the daily quotations on the Ruhrort Exchange during the week of chartering, to which shall be added the costs of insurance against navigation risks, if at the request of the receiving countries the insurance is contracted for by Germany.

If the quotations apply to the daily hire, that is, in the form of a fixed rate per day and per ton according to the gauge readings of the barge, the basis shall be the average of the corresponding daily quotations on the Ruhrort Exchange during the week of chartering, and the freight will be calculated on the tonnage as determined by gauge readings and on the actual duration of the trip, account being taken of established custom in the matter of minimum guarantee, re-chartering, etc. To this will be added the various supplementary charges incurred during the trip (harbour charges, pilot dues, travelling expenses, wages for overtime, towage in ports and for the return downstream, risks of having to unload part of the cargo to lighten the boat and possibly insurance), these various charges always calculated per ton loaded. They may moreover be lumped together in an inclusive increase of the freight the rate of which would be fixed periodically.

Towage. — For transport to Mannheim the basis shall be the average of the quotations for towage between Ruhrort and Mannheim for the week of departure from Ruhrort.

For transport beyond Mannheim the basis shall be the actual charges for towage, agreed upon for each trip.

Transhipment. — For deliveries free-on-rail in the Upper Rhine ports it will be necessary to add to the charges for transport the actual charges for transhipment in these ports.

APPENDIX 3 TO ANNEX V.

DELIVERIES TO THE UPPER RHINE.

PAYMENT OF CHARGES FOR TRANSPORT.

The Reichsanzeiger supplement, less 5 %, is payable in two items.

The first, including the Rhine hire charge, is calculated on the tonnage ascertained on the barge on arrival, according to the official certificate of gauge readings. If delivery is made by truck the first instalment shall also include the charges for transhipment on arrival and shall be calculated on the weight on truck;

The second item, including the surplus, is calculated on the tonnage entered on the bill of lading.

Both items are payable in full every ten days, for all barges unloaded at destination during the ten days.

ANNEX VI.

(This Annex is drawn up in French, English and German, the French text being authentic for purposes of interpretation [1])

SPECIAL REGULATIONS.

FOR DYESTUFFS AND CHEMICAL DRUGS.

A. — DYESTUFFS.

As regards the Powers who conclude an agreement with the Interessengemeinschaft, the German Government waives, as regards dyestuffs for the period covered by the Agreements, but not beyond August 15, 1928, the fixing of the lists provided for in the last sub-paragraph of Clause 2, Annex II to the London Agreement.

Furthermore, it is understood that the waiver of the German Government shall not prevent the Allied Governments from being able to invoke, during the same periods, the provisions of Clause 2 (*d*) [5] of Annex II to the London Agreement.

B. — CHEMICAL DRUGS.

For the application of Clause 2 (*d*) of Annex II to the London Agreement :

1. The programmes shall be drawn up for periods of 6 months;

2. The list referred to in the last sub-paragraph of Clause 2 (*d*) above-mentioned is as follows :

Acetanilid;
Antifebrin;
Acid acetylosalicylic;

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(1) As regards the text of the special agreements concluded or to be concluded under this Annex the text in the language in which they are drafted shall be authentic for purposes for interpretation.

Acid camphorie;
Acid gallic;
Acid pyrogallic;
Acid salicylic. crist;
Acid salicylic. praec;
Acid salicylic. volum;
Acid sulfosalicylic;
Agurin;
Aether acetic;
Aether pre narcosi;
Aether sulf med. 0.720;
Aethylmorphin hydrochloric;
Aethylmorphin pur.;
Apomorphin hydrochloric;
Argentum proteinic;
Aristol;
Atoxyl;
Benzonapthol;
Bismuth subgallic;
Bismuth salicylic 40 %;
Bismuth salicylic 64 %;
Bismuth subsalicylic 40 %;
Bismuth subsalicylic 64 %;
Bismuth tribromphenylic;
Bromoform puriss;
Chloralhydrate;
Chloroform;
Chinosol;
Choleval;
Cocaine (and its salts);
Codeine (and its salts);
Coffein pur;
Creosotal;
Diacethylmorphyn hydrochloric;
Diacethylmorphyn pur;
Dionin;
Diplosal;
Ductal;
Epicarin urophan;
Ferratin;
Ferrummonomethylarsenicic;
Formaldehyde;
Glycero-phosphate;
Guaiacol liquid.;
Guaiacol crist.;
Guaiacol carbonic;
Hexaemethylentetramin;

Hydrargyrum salicylic;
Iodoform;
Kalium sulfogua iacolic;
Natrium kakodylic;
Ferrum kakodylic;
Guaiacol kakodylic;
Kreosote carbonic;
Lithium salicylic;
Lactophenin;
Lycetol;
Methylacetanilid;
Methylium salicylic;
Mesotan;
Metylsulfonal;
Natrium salicic crist.;
Natrium salicic pulv.;
Natrium salicic scales;
Natrium monomethylarsenicic;
Paraldehyd purisa;
Phenacetin;
Phenolphtalein;
Phenylsalicylat;
Phenylcinchoninearbonic acids;
Piperazin;
Protargol;
Pyrenol;
Resorcin med.;
Salol;
Salophen;
Sidonal;
Neusidonal;
Sulfonal;
Tannigen;
Tannin;
Theophyllin;
Trioxymethylen;
Trional;
Veronal;
Veronal natrium;
Validol;
Zincum sulfophenylic;
Chinin (and its salts);
Aristochin;
Euchinin.

ANNEX VII.

(This Annex is drawn up in French, English and German, the French text being authentic for purposes of interpretation.)

EXTRACTS FROM MINUTES.

1. — 7TH MEETING (NOVEMBER 21ST, 1924.)

Execution of programmes of Annex V.

(Instruction to be given to the Sub-Committee on Coal).

CSLN 28. — The Committee agreed on the following wording :

The following proposal, for the execution of the coal deliveries during the period of validity of Annex V to Part VIII of the Treaty of Versailles, was submitted to the Special Committee.

"The programmes established by the Reparation Commission, under paragraph 10 of Annex V, and after consultation with the Transfer Committee, may be executed by the Allied Governments or their nationals by means of commercial contracts passed under the usual trade conditions, that is to say, the contracts may include (as to qualities, method and place of delivery, transport to the place of delivery, price and method of payement, etc.) a the conditions which may be freely debated between the parties, subject to the approval of the contracts in accordance with the procedure to be laid down for such approval.

"That part of the programmes which has not formed the subject of such commercial contracts shall be executed in conformity with the provisions of Annex V and the rules which will be drawn up by the Special Committee.

"The German Government shall be released from any liability under Annex V with respect to the quantities covered by the commercial contracts approved".

The Committee refers this proposal to the Sub-Committee on Coal, which is requested to submit its remarks and which will not take up any other question before the Committee has taken a decision in the light of the Sub-Committee's remarks.

2. — 10TH MEETING (NOVEMBER 28TH, 1924).

Execution of the programmes of Annex V.

(Instructions to be given to the Sub-Committee on Coal [continued].)

"CSLN 36. — The Committee, reconsidering its Decision CSLN 28, approves the general proposal (1) made by M. Aron on the procedure to be followed for the placing of orders during the period of validity of Annex V Part VIII of the Treaty of Versailles.

"Sir Thomas Urwick wishes to state that, although of a different opinion, he will raise no objection to this decision of his colleagues".

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(1) See preceding Extract — passage in inverted commas.

3. — 11TH MEETING (DECEMBER 3RD, 1924).

Execution of the programmes of Annex V (continued).

(Approval of Minutes).

"CSLN 38. — Minutes 8 and 9 are approved without amendment, Minutes 5 and 10 with amendments.

"Nevertheless, referring to Decision CSLN 28 and 36 of Minutes No. 7 and 10 relating to coal deliveries, made under commercial contracts during the period of validity of Annex V to the Treaty of Versailles, the British Member makes the following reserve :

"In his opinion, these decisions of the Committee in no way change the provisions of the Treaty, according to which at least two-thirds of the coal deliveries, actually made to Italy must be sent overland".

3 *a*. — 12TH MEETING (DECEMBER 20TH, 1924.)

Execution of programmes under Annex V (Continued).

(Reserve of the Italian Member on Decisions CSLN 28 and 36. See extracts 1 and 2 above).

"The Italian Member, having considered the reserve made by his British colleague at the beginning of the 11th Meeting (CSLN 38, § 2) on the decisions above mentioned, states that he is not of the same opinion as his colleague on the interpretation of the Treaty and that he reserves the right to discuss the question at the proper time".

4. — 12TH MEETING (DECEMBER 20TH, 1924).

Establishment of programmes and approval of contracts.

CSLN. 47. — (Regulations laying down the procedure to be followed for deliveries in kind.)

The Committee settle the terms of the Regulations attached to the present Minutes : the wording will however be revised by a Drafting Committee.

The following statements are made by the Italian and French members, as to Article II of the Regulations (Organisation).

The Italian Member states :

(1) that the German Government, under the London Protocol and the Experts' Report, has, in his opinion, no right to intervene in the establishment of the programmes for deliveries in kind and in the passing of contracts, and that such intervention could only take place at the request of the Reparation Commission or the Transfer Committee in a particular case;

(2) that, however, having regard to the way in which his Allied colleagues have contemplated the participation of German organisations in the work of the Reparation Commission and of the Transfer Committee in connection with programmes and contracts he does not insist on demanding an arbitral decision on the interpretation of the Dawes Plan on this point, hoping that the acceptance (as a final compromise) of the solution recommended by his Allied colleagues will not impede the rapid progress of commercial transactions and the conclusion of contracts for deliveries in kind.

The French Member recalls that on the principle involved that is, on the right which the

German Government claim to participate in the preparation of programmes and in the examination of contracts, he entirely agrees with his Italian colleague that a negative reply should be given.

If nevertheless, he has agreed to the provisions which have just been voted, and which allow a participation of the German Government under strictly defined conditions, it is because he is guided by the idea which governs the Experts' Report of the active collaboration of the German Government for a thoroughly satisfactory execution of the Plan.

To this first remark, he desires to add a second. Under Clause 3 of Annex II to the London Agreement, the Committee's task is to examine "the best means of ensuring the fulfilment of the undertakings to be given by the German Government in accordance with Clause 2 paragraphs (*c*) and (*d*)".

It might have been thought that it would be well to specify the measures which the German Government, by Clause 2 (*c*) mentioned above, pledged itself in general terms to refrain from taking. The French member has not proposed anything of the sort, because he takes the view that the general terms of Clause 2 (*c*) impose on the German Government a moral obligation which is of more value than any detailed text. Nevertheless, he would like, in this connection, to put a plain question to his German colleagues : now that it is settled that the German Government will have knowledge of all the Reparation contracts as soon as they are deposited with the Reparation Commission, and will then be able to make observations upon them, can the Allied Goverments be absolutely assured that the German Government will scrupulously refrain from taking any measure, direct or indirect, for the purpose of enabling it to intervene in any form whatsoever, or in any round about way, in the passing of reparation commercial contracts, or in the negotiations preliminary to the passing of contracts — in other words, is the German Government prepared to ignore completely everything effecting a Reparation contract before the day when the contract is referred to it by the Reparation Commission?

The German Members replied to the French Member's question as follows :

"The German Government also is very anxious to assure the success of the execution of deliveries in kind, by its collaboration as contemplated by the Experts' Plan and the London Agreement. As the jointly framed Regulations provide that all contracts shall be sent to the German Government for its information at the same time as they are sent to the office of the Reparation Commission, and as the German Government has thus the opportunity of then putting forward any objections and asking for a decision, the German members can give the assurance that the German Goverment will refrain on its side from any interference in the negotiations preceding the transmission of the contracts to the Office of the Reparation Commission. Until such transmission, it will treat these contracts exactly as contracts on the open market".

5. — 12TH MEETING (DECEMBER 20TH, 1924).

Deliveries in Kind and normal German Export Trade.

"The German Members request that the following paragraph be added to Article VI of the Regulations ;

"The objection of the German Office may also be based on the fact that, having regard to the nature and quantity of the commodities ordered, or else, having regard to the development of the free sale of the kind of commodities in question during the preceding period, the delivery concluded on reparation account constitutes a danger to ordinary trade".

This request is founded specially on the fact that, according to the Experts' Report (Chapter XI, para. 3) as interpreted by the German Members, the deliveries in kind represent a stimulus to German productivity and may contribute to the creation of a greater export surplus, so that deliveries which are not of this character but degenerate into an encroachment of Reparation account on normal export trade are looked upon as anti-economic.

On the Allied side, it was conceded that the German Office, when objecting to a contract, might always rely on the provisions of Clause 2 (*b*) of Annex II to the London Protocol.

In this connection, the French member observed :

(1) that he does not interpret paragraph 3 of Chapter XI of the Experts' Report in the same way as his German colleagues;

(2) that in London, in spite of several protests on the part of the German Delegation, any idea of a priority of ordinary German trade over deliveries in kind was opposed, and in fact no trace of any such idea can be found in the text. But he sees no harm in noting that the opposition of the German members may be founded on one or other of the reasons for limitation contemplated by the Experts' Report or the London Agreement.

To satisfy the German Members' request, it is decided to add to paragraph 5 (2), Article V, of the Regulations, before the words "no restriction", the words "with the exception of the limitations provided for in Clause 2 (*b*) of Annex II to the London Agreement and in the Experts' Report".

6. — 16TH MEETING (JANUARY 20TH, 1925).

Re-exportation of deliveries in kind.

(Wording of Article XI of the Regulations : Re-exportation, Solution A.)

The Committee decide by a majority that the declaration to be signed by the buyer shall provide that in case of a prohibited re-exportation, the latter shall pay to his Government "a sum equal to 25 % of the value of the goods either re-exported or re-sold, without a clause prohibiting re-exportation".

The Italian and Belgian Members vote against this provision.

The Italian Member made the following statement :

"The Italian Member is of opinion :

(1) that the importance attributed to the effects which a few re-exportations may have on the German economic system is exaggerated;

(2) that the compulsory payment by the buyer to his Government of any pecuniary penalty whatsoever — and *a fortiori* of as much as 25 % of the value of the goods — is ineffective in practice;

(3) That the menace of this payment is an obstacle to the development of the scheme of reparation contracts;

(4) That there is a fundamental contradiction in the fact that the payment of the penalty is compulsory in solution A, while it is optional in solution B;

5) That the consequence of this difference will be the compulsory use of solution B".

The Belgian Member declared that he associated himself with (4) and (5) of this statement.

7. 18TH MEETING (JANUARY 23RD 1925).

Statement by the Chairman concerning the coefficients of List C and the rules to be applied to the return to the German economic system in the currency of the receiving country, of a part of the value of deliveries (CSLN 80).

"I am convinced that the Experts, in considering the possibilities for the deliveries in kind, recognised the similarity between these deliveries and cash payments. If nevertheless the Experts thought it necessary to encourage deliveries in kind, they defended their attitude by pointing out that these deliveries are dealt with in the Treaty, that they had become an inevitable part of the economic conditions of several of the Allies and could not be *wholly* removed without considerable dislocation.

"The Experts, however, seem anxious to surround deliveries in kind with certain restrictions. They said, therefore, that the deliveries could only represent a stimulus to German productivity if the principle was not carried too far. They also said that the maintenance of the system of deliveries in kind, if not carried too far, might act in a manner to facilitate the transfers to the Allies. Having thus been able to find a defence for a measure which they did not seem to consider very rational in itself and which might tend to be anti-economic, but which they admitted to be necessary, the Experts wished to limit the deliveries in several ways, namely, (1) to the natural productions of Germany, such as those specifically mentioned by the Treaty and (2) to such exports as did not involve a previous importation of raw material, representing a considerable percentage of their value.

"The Bemelmans-Cuntze Agreement, although not mentioned in the Experts' Report, was very probably known to the Experts. It was assuredly not their intention to extend the deliveries in kind beyond the limits laid down in that Agreement, because the main idea of the Experts' Report was to foster the re-establishment of economic and financial conditions in Germany, and the possibility of the Allies obtaining the payments which are due to them.

"For the above reasons I cannot regard as justified any increase above the rate of 25 % laid down in the Bemelmans-Cuntze Agreement, of the minimum percentage of foreign raw materials which must be paid for on Reparation account. On the other hand, I am quite willing to accept the view that certain articles considered to be specially important for the Allies and containing a substantial percentage of foreign raw materials may be excluded from List C".

The Chairman's proposal was unanimously carried,

8. — 19TH MEETING (JANUARY 24TH, 1925).

Examination of the following question: is timber to be included in the list of Excluded Goods or not? German Statement.

Herr Cuntze made the following statement:

"The German Members have from the outset contended that as Germany's imports in timber considerably exceed her exports, timber is a foreign raw material, and they have never departed from this position. To show our good will, we have declared ourselves

ready to put timber (except unworked timber) on Lists B and C and we have also declared ourselves ready, in order to facilitate the negotiations and having regard to the needs of the devastated regions, already mentioned, to waive for a limited period, the payment of the percentage of raw material on condition that the ration be fixed for this period by the present Organisation Committee. I wish to lay special emphasis on the fact that in making this concession we do not in the least abandon the position which we have always taken, namely, that timber is to be considered as a foreign raw material which cannot be delivered on Reparation account. From this statement I beg M. Laviosa to infer our reply to his question, that is, that we cannot consent to the deletion of even a part of timber in the log (bois brut) from List A".

9. — 21st MEETING (JANUARY 26th, 1925).

Reserve of the British Member on the final paragraph of the declaration to which the purchaser is to subscribe.

(Article X of the Regulations: Re-exportation).

CSLN 94. — The British Member signified his acceptance of the terms "colonies and dependencies" in the draft of this paragraph, it being made plain that these terms include the British Empire.

10. — 24th MEETING (FEBRUARY 18th, 1925).

Synthetic Nitrogenous Products.

(Examination of the Report of the Sub-Committee on Nitrogen).

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"While maintaining that under the London Agreement the guarantee of the German Government must cover all synthetic nitrogenous products and not merely nitrogenous fertilisers, M. Aron is willing, in order not to reopen discussion on the programme drawn up by the Sub-Committee, to agree that for the two years in question the German Government shall not be asked to furnish any guarantee for nitrogenous products other than fertilizers, it being understood that any country concerned may during this period procure them by private contract without the benefit of the guarantee of the German Government according to paragraph (*d*).

"The Germans for their part insisted that the Guarantee of the German Government covered only nitrogenous fertilizers and not the other nitrogen products. The discussion at London concerned fertilisers exclusively, and the fact that special reference was made to sulphate of ammonia prepared by synthetic processes, which is used only as fertilizer, supported the German contention."

11. — 24th MEETING (FEBRUARY 18th, 1925).

Synthetic Nitrogenous Products (continued).

In regard to this same paragraph (paragraph D of the Report of the Sub-Committee on Nitrogen), it is made clear that the demands for contracts must include all necessary specifications in regard to quantities and the distribution among the various products. It is also understood that these demands for contracts may be validly sent by registered letter to the Stickstoffsyndikat, which according to the German Members, now includes all German producers

of synthetic products, so long as the German Government has not given notification that this organisation is abolished or has ceased to include all German producers of synthetic products. In the event of such notification, the German Government would at the same time furnish a complete list of all suppliers of nitrogen fertilizers.

Paragraph E. — The first sub-paragraph is deleted, that is, the article of the General Regulations concerning deliveries in kind will apply to the passing of the contracts as well as to the payments made under them.

The German Members agreed to this deletion, in the expectation that payments will be made as punctually under the General Regulations as at present under the provisional régime.

12. — 26TH MEETING (FEBRUARY 20TH, 1925).

Delivery of timber and wood pulp on Reparation account. Statements of German and Belgian Members. Decision of the Chairman on the total quantities that may be ordered by the Allies during the two years 1925/26 and 1926/27. Decision of the Chairman concerning wood pulp.

Herr Cuntze made the following statement :

"From the opening of the negotiations we have asked that timber be placed on List A, since we are convinced that timber, a material of which we import much more than we export, constitutes a foreign raw material for our economy. Up to the present we have never abandoned this conviction. However, in view of the argument that timber is needed in the devastated regions and in consideration of cognate political considerations, we have declared our willingness to offer certain deliveries of timber by way of conciliation. We still maintain this point of view, and we offer, in case a compromise is concluded, a total quantity of 600,000 cubic metres in logs, which for mine props, telegraph poles and sleepers probably corresponds to the actual demands anticipated, but which, on the other hand, for sawn timber will not equal these demands. Up to the present the sawn timber delivered to France and Belgium has never come from the German economic system, even the previous Reparation deliveries have been furnished directly by foreign countries against payment by Germany.

"It may be similarly assumed that in future large deliveries of sawn timber will not be made from the German economic system, unless the prices offered are from 30 to 50 % higher than those of Czecho-Slovakia. The reason is that beams and boards used in building in Germany are of larger dimensions than those used in France, and that German forestry, because of these German needs, only fells trees that are older and have attained the diameter necessary for our needs. It is obvious that boards and beams of smaller dimensions could be sawn from these larger logs, but this utilisation is anti-economic on account of the waste and the loss of timber that it entails. It is not for our Committee to authorise or to encourage such anti-economic deliveries, and still less to encourage deliveries of foreign origin in violation of the formal provisions of our Regulations. It is possible that small deliveries might be made from trees felled in Germany, and for this reason we expressed our willingness to include a very small ration of sawn timber in the programme.

"I may observe that, as a result of the damage caused by a moth (Forleule), we are now able to deliver from Germany a certain quantity of mine props, sleepers and telegraph poles of resinous wood without being obliged to cover the deficit in full by importation, whereas for all deliveries of deciduous timber exportation is equivalent to a corresponding importation, it being remembered that even sleepers and poles are not imported in logs, but, as ex-

perience has proved, always in the state of finished articles. Such a delivery gives rise therefore to a 100 % loss in currency.

"For this reason we ask that in general deliveries be confined to resinous timber, but we are willing to deliver, under a friendly settlement, up to 20 % of sleepers in hard wood and to grant the quantities of sawn timber which can really be delivered from German sources.

"We make this proposal under the following conditions :

"(1) Sleepers and telegraph poles can only be delivered impregnated since the cost of injection represents the only part of the delivery that comes indubitably from the German economic system ;

"2. Every contract having to do with deliveries of timber shall contain a declaration equivalent to an oath that the sawn timber has been worked in German sawmills and that the sleepers and telegraph poles have been treated in Germany.

"We ask for this formal declaration because the fixing of timber deliveries has the special result of getting these deliveries made by the foreigner, contrary to the Regulations, which would be tantamount to a payment in cash pure and simple. Without this contractual guarantee it would be necessary to organise a very extensive service of control, which would amount to a much greater hindrance to the timber trade than the making of a declaration equivalent to an oath".

The Belgian Member replied as follows :

"The Allied point of view on the question of Reparation deliveries of timber by Germany has already been fully set forth before the Reparation Commission in the last few years, and more particularly in 1922.

"It seems unnecessary therefore to go into this question at great length. While realising that the situation is not now what it was in 1922, I still think I may recall here the conclusions at which we arrived.

"A large proportion of the German forests belong to the States of the Reich.

"It was found that German forests are exploited in a much less intensive fashion than the forests of the surrounding countries.

"The quantities of timber demanded by the Allies correspond to less than 3 % of the production of the German forests. It would be sufficient therefore if this production were to be increased in this small proportion, to enable Germany to deliver the timber which the Allies demand, and there would be no need to increase in any way the normal imports of timber into Germany.

"This slight increase, which would have to be continued for a few years only, is certainly possible from the material standpoint of exploitation, and the quantities demanded, if they do not correspond to current usage in Germany as regards dimensions, are in any case large enough to justify the sawing of the timber to the dimensions required.

"In order to obtain the required quantities it would be sufficient if the various States of the Reich consent to increase slightly the amount felled annually in the forests belonging to them, thus giving a proof of their desire to execute the deliveries in kind.

"Consequently, I consider that the deliveries of timber demanded by the Allies are in no way anti-economic, and are on the contrary deliveries which Germany ought to be able easily to make in order to fulfil her obligations if she wishes to do so".

The Chairman observed that on this question he was faced with an Allied proposal and a

German proposal having an equal number of votes. This being the case he gave his support to the Allied proposal for the following reason.

"In the Experts' Report the necessity for deliveries in kind is recognised because they have now become an inevitable part of the economic conditions of several of the Allied Powers and cannot be removed without considerable dislocation. This is certainly the case with regard to timber which is required for the reconstruction of the devastated regions.

"It is true that the exportation of timber from Germany may bring about an increase in the imports of timber and consequently, if the exportation is on Reparation account, a corresponding reduction in the foreign currency available. But it is also true, that this result could be counterbalanced by increased felling.

"The normal quantity of resinous timber felled in Germany has been estimated at 22,900,000 cubic metres. If, for a limited number of years, the felling were increased by 5 %, which in my opinion is technically possible, the requirements of the Allies could be met without prejudicing the balance of payments, which I consider quite fair. It is obvious that this exportation ought to be of purely German origin and not based on purchases abroad".

Wood pulp. — As after a long discussion regarding the percentage of foreign raw material involved in the manufacture of wood pulp in Germany the Allied and German Members were unable to agree on this point, the President took the following decision :

On the one hand the Allies have asked that wood pulp should be placed on List B of rationed commodities and that this Committee should fix the maximum quantities which each of the creditor Powers may demand.

On the other hand the Germans have insisted that this commodity should be placed on List C.

After considering the reasons advanced by both sides I am of opinion that wood pulp should be placed on List C.

My reasons for the decision are as follows :

The German production of wood pulp depends for the greater part on foreign wood first being imported. This importation cannot be replaced through an increase of felling in Germany without injury to the German economic system. As it has been considered justifiable to place on List C raw pig iron which also is made partly from German ore, there is no reason why the same procedure should not be adopted in regard to wood pulp.

13. — 27TH MEETING (FEBRUARY 23RD, 1925).

Supervision by the German Government of the execution of Contracts.

(Examination of the draft text of Article XII of the Special Regulations for Deliveries in Kind, concerning fraud.)

In the course of the discussion of paragraph (6) of this Article Herr Cuntze was led to make the following declaration concerning the way in which the German Government intends to exercise its supervision :

"I have the impression that resistance of my Allied colleagues to the German measures of supervision is based on the fear that this supervision would become too cumbersome and considerably hamper German industry, thereby making the execution of deliveries in kind difficult. There is no foundation for these fears. If only for reasons of German internal policy, that is on account of business distrust of all Government interference the carrying out

of such supervision would be impossible. This reason alone will make it necessary to reduce this supervision to the strict minimum and to exercise it as discreetly as possible. I am convinced that real supervision will be necessary probably only for 5 % of the contracts, supposing that our supervision is not limited in advance. The percentage may be raised if, for instance, an Allied country grants rebates and thus encourages fraud. The percentage may be lowered if we take here severe measures for the suppression of fraudulent acts, calculated to discourage any attempt at fraud. It is far from my intention to create a special supervising organisation. I imagine the supervision working as follows : If a contract has been concluded with a German merchant who is unknown to me. I ask him, referring to the provisions of the law, at what German factory he has ordered the commodities, and I shall have this information confirmed by the factory in question. In specially doubtful cases, information from the station used by the forwarding agent and the production of waybills may become necessary. Cases requiring a second verification on the spot will, in my opinion, be very rare. Such a procedure cannot, in my view, hamper industry or constitute a hindrance to deliveries in kind".

14. — 27TH MEETING (FEBRUARY 23RD, 1925).

Communication of the lists of bills to the German Government.

Herr Cuntze, referring to the reserve made by him at the 17th Meeting of the Committee (see Minutes 17, paragraph 9), asks once more that the list of bills drawn on the Agent General should be communicated to the German Government : knowledge of these bills is, in his opinion, essential to the German Government for the suppression of frauds.

The Allied Members consider that this measure is neither necessary nor expedient, but that the German Government is free to raise the question with the Agent General and the Transfer Committee.

15. — 28TH MEETING (FEBRUARY 25TH, 1925).

Approval of Article VIII of the Regulations (Orders of the Reparation Commission and contracts under the Berlin Agreement or the Gillet-Ruppel Agreement passed before September 1924).

Further, at the request of the Roumanian Delegate, it is also understood that "these provisions do not exclude the possibility of introducing, in agreement with the German Government, a few new contracts which might be concluded on the same lines and within the quota of each of the Powers".

16. — 29TH MEETING (FEBRUARY 26TH, 1925).

Comments on Article XII of the Regulations (Infractions and Fraud).

(a) PARAGRAPH 4. — MEASURES TAKEN BY THE GERMAN GOVERNMENT IN VIRTUE OF THIS ARTICLE. (Appeal to the Arbitral Commission.)

The Committee specify that "the measures taken by the German Government" may be either general measures taken by the German Government or special measures taken against a seller.

(*b*) The Committee also specify that its unanimous intention has been to punish only wilful violations and fraud.

17. — 32ND MEETING (MARCH 3RD, 1925).

Variation of the coal programmes provided for in the Report of the Sub-Committee on Coal, page 3, Annex IV, to the Regulations.

The Report says :

"..... .....

The above limitations (that is, variations made in the programmes) would no longer be applicable to the Allies :

(1) If there were considerable modifications of the sums placed at the disposal of each of the receiving countries,

...."

In this connection the Committee approved the following comment :

The regularity of the coal programmes is unquestionably desirable from a technical point of view. But such regularity can only be guaranteed by the Allied Governments within the limits proposed by the Sub-Committee on Coal, in so far as these Governments enjoy a corresponding regularity in the payments coming in to the Agent for Payments to their credit. The undertaking assumed by them is therefore only of value if (*a*) they can charge against each month a sum total roughly equal to one-twelfth of the total current annuity, and if (*b*) no expenses of unforeseen amount or date disturb the balance of their estimates. The Committee hopes that all necessary measures will be taken to prevent such circumstances from arising, since they might be detrimental to the regular execution of deliveries in kind.

18. — 32ND MEETING (MARCH 3RD, 1925).

Contracts submitted for approval, without its appearing from the supporting documents that the seller is warned that payment will be made from the funds of the Agent for Payments. Decision of the Chairman.

"During the discussions the question has been raised whether the receiving Governments had the right to secure the passage as Reparation contracts of commercial contracts concluded either before or after the coming into force of the new Regulations, without the contracting parties having agreed that their contract should be a Reparation contract.

"Concessions have been made on both sides, so that it only remains to decide whether, without the consent of the German seller or without his knowledge, but in agreement only with the Allied buyer, a contract in Reichsmarks, not containing any provision to the effect that it cannot be passed on Reparation account, may be registered as a reparation contract, without amendment, naturally, of the contractual conditions.

"This question has no great practical importance, especially for the first two years. According to the stipulations of the London Agreement, however, it seems to me impossible to oblige a German seller to admit without his consent a commercial transaction as a Reparation contract.

"If, however, it became customary for German sellers to stipulate for commercial contracts that they were not to pass by way of reparation account, such action would have to be considered as a measure calculated to make it impossible to obtain deliveries in kind, and might therefore be brought before the Arbitral Commission provided for the purpose, which would decide the question."

19. — 33rd MEETING (MARCH 5th, 1925.)

Contracts submitted for approval without it appearing from the supporting documents that the seller is warned that payment will be made from the funds of the Agent for Payments (Continuation).

(Text of the declaration made by the French and German Members at the preceding Meeting).

The French Member asks for the insertion in Minutes 32 of the text of the Declaration made by him at the preceding Meeting before the Chairman's decision (see Extract 18 above) and after the German members had stated that they could not agree to the French proposal.

The Text of this declaration reads as follows:

"The French Member recalls in this connection the quite general terms of the first paragraph of Clause 2, Annex II, to the London Agreement. In his opinion it is plain from this passage, as well as from the Agreement as a whole, that if commodities may be validly paid for in Reichsmarks under the contract, the seller does not need to know the origin of the Reichsmarks given him in payment, and therefore the contract may be paid for on reparation account without the consent of the seller being in any way necessary. If this consent were required, a special market for Reparation commodities would be created, withdrawn contrary to the London Agreement, from ordinary commercial conditions which moreover the German Government would at any moment be in a position to influence. The remedy open to the Allied Governments under Clause 2 (c) could offer them no real guarantee in such a case. The burden of proof rests on them, and some interventions cannot be proved. Moreover, all the delays involved in proceedings operate to their disadvantage, and lost time cannot be made up. The French Member further recalls the long discussion on the supervision of contracts (Article VI) and on re-exportation (Article X). The alternative solution adopted for the latter Article in particular is obviously meaningless, unless the purchaser is not obliged to obtain the consent of the seller to the contract's passing by way of reparations, and unless he can present himself to the seller in every respect as an ordinary buyer, subject to all ordinary commercial usages, and as one who will have discharged his liability as against the seller when he has paid him at the agreed due dates in the currency agreed. Similarly, a negative decision would in practice deprive of all its meaning the decision of principle taken by the Committee on the execution of the programmes of Annex V by means of commercial contracts".

The Italian and Belgian Members of the Committee concurred in this statement.

Herr Cuntze replied as follows:

"The London Agreements, and more especially the provisions which fix the terms of reference of the Special Committee (Clause 3, paragraph 1), in the German view clearly take as their starting point the idea that the contracts which are to be paid for out of Reparation funds must be concluded as such by the parties. At the 4th meeting of the Allied Prime Ministers it was more than once emphasized that the sense of the general provisions must be this: to render it possible to conclude reparation contracts on terms not more unfavourable than ordinary contracts.

"Neither in London, nor at any meeting of the Special Committee and the Sub-Committee on coal, has it ever been proposed by anybody that the system of payment by way of Reparations should be applied compulsorily to ordinary trade contracts.

"It is impossible at this late date to draw from the London Agreements an interpretation justifying so grave an interference. Such an interferenee would have results precisely the opposite of these desired by the French Member.

"Industry is in general inclined to conclude Reparation contracts, but this inclination might be changed to opposition if industry were to feel that its hand was being forced by the compulsory application of payment by way of Reparations. In the general view of a large number of business men, and not German business men alone, it would be an imposition and an act of violence to insist that payments due under a contract concluded on a purely commercial basis should be made by way of Reparations, without the knowledge of or against the will of one of the parties. The contract would thus be removed from its ordinary commercial setting and official organisations and other persons would be enabled to acquire knowledge of private commercial affairs.

"The German Government would be obliged to decline all responsibility for the consequences of such a measure, which could only be taken in contradiction with the London Agreement and with the position definitely taken up by the German Government".

The Committee agrees to these insertions in Minutes No. 32.

20. — 33rd MEETING (MARCH 5th, 1925.)

Exceptional Coal Contracts.

The Italian Member having asked the Committee to give their definite opinion on the question whether a commercial coal contract for a period longer than twenty-four months was to be considered as "an exceptional contract" of the kind provided for in paragraph 6 of Article V, of the Regulations, the Committee replied in the affirmative.

The Belgian Member further stated that for exceptional coal contracts the question of the protection of the interests of the other Allies mentioned in Article VI of the Regulations (B. *Exceptional Contracts*, 2) did not arise as the Treaty provides for each country definite quantities which are taken into account by the Commission when fixing the programme of deliveries to be made to each country.

ANNEX 2385 *b*.

COVERING LETTER

WITH WHICH THE DRAFT OF THE REGULATIONS

FOR DELIVERIES IN KIND (1)

WAS TRANSMITTED TO THE CHAIRMAN OF THE REPARATION COMMISSION.

SPECIAL COMMITTEE
on
DELIVERIES IN KIND.

Paris, March 9th, 1925.

From : The Chairman of the Special Committee created under Clause 3 of Annex II to the London Agreement.

To : The Chairman of the Reparation Commission.

Sir,

1. I have the honour to send you herewith, on behalf of the Special Committee created under Clause 3 of Annex II to the London Agreement, the draft Regulations for Deliveries in Kind which have been framed by the Committee.

2. Under the London Agreement, the Committee was to be composed of six Members, three of whom were to be Allies and three Germans. It has consisted in fact of eight Members, four Allies and four Germans, in pursuance of a semi-official agreement concluded between the Reparation Commission and the German Government.

Its first Meeting took place on November 6th, 1924, with M. Bemelmans, formerly Belgian Assistant Delegate to the Reparation Commission, in the chair.

The first discussions brought to light certain differences of principle which were considerable enough to cause the Committee, at its fourth Meeting, to recognise the necessity of calling in the additional Member of neutral nationality provided for in the London Agreement. The Committee unanimously asked me to join it; I accepted this invitation and have presided over the deliberations of the Committee since its eighth Meeting, held on November 24th, 1924.

The Committee has held 34 Meetings in all, the last of which was on March 6th, 1925.

3. To consider the deliveries of certain special commodities, the Committee formed Sub-Committees of technical experts, to whom it gave instructions and whose work it followed, while reserving to itself the examination of all questions of principle that might be raised, and the decision on all questions.

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(1) For this letter the French, English and German texts are equally authentic for purposes of interpretation, it being understood that in case of appeal to arbitration on the interpretation and pending the decision of the Arbitral Tribunal, for which provision is made in Article XI of the Regulations hereinafter, the interpretation considered by the Allied Government concerned to be the most favourable to the proper execution of deliveries in kind shall be taken to be correct.

Below is given the list of Sub-Committees, with their special fields, the date of their first sitting, and the date when they presented their report :

SUB-COMMITTEE.	DATE OF FIRST SITTING.	DATE OF PRESENTATION OF REPORT.
Coal	January 20, 1925.	February 24, 1925.
Transport	December 15, 1924.	February 24, 1925.
These two Committees were in liaison (1)	December 16, 1924.	February 16, 1925.
Dyestuffs and chemical drugs	January 12, 1925.	(Report replaced by special agreements.)
Synthetic nitrogenous products	November 12, 1924.	February 18, 1925.

4. In so far as possible, the Committee obtained the opinion of the Powers participating in the distribution of the Dawes Annuities who were not represented on the Committee, on all questions where it seemed to it that their special interests were concerned.

5. Throughout its deliberations, the Committee has endeavoured to find practical solutions and thus to avoid the questions of interpretation which could not fail to arise in the course of the discussion, but the solution of which was not in its hands. It has succeeded in this task by bearing in mind at the difficult moments the idea which it unanimously considered to be the governing idea of the Experts' Plan and the London Agreements, namely, active collaboration between the parties concerned. It has taken the view, moreover, that in so acting it could not compromise any essential interest, provided it was well understood that no part of the Regulations is either an interpretation or a suggestion of an interpretation and that the right of calling for an interpretation remains at all times open to all parties. But it must also be clearly understood that the Regulations laid down will remain valid, whatever interpretations may ultimately be given, until the date prescribed for the next revision, that is, until April 1st, 1927, subject to modification by common consent.

6. In the same practical way, the Committee has been able, without in any way compromising the interests involved, to get away from the literal procedure of Clause 2 (*d*) of Annex II to the London Agreement, and to avoid both in the case of sulphate of ammonia prepared by synthetic processes and other synthetic nitrogenous products and in the case of dyestuffs, drawing up the detailed lists provided for in the last sub-paragraph of paragraph (*d*). It has arrived at this result in the case of sulphate of ammonia prepared by synthetic processes and other nitrogenous products by fixing the programme up to May 31, 1927, that is, up to a date later than that of the first revision of the Regulations, and in the case of dyestuffs, by taking note of special agreements which have been concluded or which are now pending between the representatives of the Powers concerned and the Interessen Gemeinschaft, and which will be valid for the period of three years to which the guarantee of paragraph (*d*) applies for dyestuffs. On this latter point, however, questions of principle must be reserved until the Committee has been able to take cognisance of all the special agreements, some of which are not yet signed and can only be examined by the Committee during April. The question of chemical drugs will be settled at the same time.

Similarly, the question of the transport of Reparation coal, which has given rise to very considerable differences of principle, must not be considered as settled except in the most provisional manner, questions of principle being reserved until the Committee has been able, in or about April, to examine the special agreements, some of which are only in preparation.

(1) The Sub-Committees on Coal and Transport worked in liaison on the transport of Reparation coal.

The Committee has reason to hope that these questions will be settled in a practical way in the manner indicated above, and if it is so, the Reparation Commission and possibly the Arbitral Tribunal, will find that only one question of principle has to be settled, of relatively secondary importance, which the Committee did not think it well to approach as a practical problem, and for which it has adopted a purely provisional solution, because it was confronted with a prior decision of the Reparation Commission which the German Government considers incompatible with the régime set up by the Experts' Plan. This question will be set forth hereinafter.

7. Apart from the general idea which has just been expressed, the Committee was guided by the following fundamental principles :

(*a*) To make the working of deliveries in kind as effective as possible, that is, to institute a procedure as simple and rapid as possible for the preparation of the programmes, the approval of the contracts and the execution of the payments;

(*b*) Subject to the rights of the Reparation Commission, the Transfer Committee and the Agent General for Reparation Payments, to give as precise expression as possible to the provisions of the Experts' Plan and the London Agreement as to the limitation of deliveries in kind;

(*c*) To ensure the correct execution of the contracts by taking the measures necessary to prevent the re-exportation of deliveries in kind, the delivery of goods not produced by the German economic system and the repayments which, under the guise of contracts for deliveries in kind, might really conceal transfers of cash.

8. In the Regulations the Committee has assigned a very important part to the American Citizen, who, under paragraph 2 (*a*) of Annex II to Part VIII of the Treaty of Versailles, is a Member of the Reparation Commission for questions relating to the application of the Experts' Plan.

The contracts presented for approval will be examined in the first place by an office constituted at Paris by the Reparation Commission, in agreement with the Transfer Committee, and by a German office also set up at Paris. If these two offices agree to approve the contract, this approval will immediately be given by the office of the Reparation Commission. If they do not agree, the question will be submitted to the American Citizen Member of the Reparation Commission for decision.

For certain contracts described as exceptional, the importance or duration of which will require a decision by the Reparation Commission and the Transfer Committee, the procedure will be different; the preliminary enquiry will be made by the two offices under the Chairmanship of the American Citizen Member of the Reparation Commission or his representative, before being submitted to these two bodies.

By letter of February 19, 1925 (copy attached) [1] Mr. Thomas N. Perkins has accepted the task which the Committee proposed to entrust to him, under certain reserves which, in the opinion of the Committee, should in no way endanger the proper working of the Regulations. The Committee can only renew here the thanks which it has already had occasion to express to Mr. Perkins.

9. As regards the question of the approval of the contracts a lengthy discussion arose on the point whether, without the consent of the German seller, or unknown to him, an ordin-

(1) *See* Annex 2385 *c* hereinafter.

ary commercial contract could be transferred to Reparation Account, in cases in which such a transfer would entail no amendment, however slight, of the contractual conditions.

As it was impossible to obtain agreement between the Allied Members and the German Members on this question, the Chairman decided that a German seller could not be obliged, without giving his consent, even under the above conditions, to admit an ordinary commercial contract as a Reparation contract. (See Annex VII, the decision of the Chairman at the 32nd Meeting).

10. The Regulations proper include 13 articles which are enumerated below:

Art. I. — Definition of the commodities and services which may be supplied as deliveries in kind.

Art. II. — Organisation.

Art. III. — Preparation and revision of the lists.

Art. IV. — Method of determining the coefficients of list "C". Rules to be applied to the direct payment of a part of the value of deliveries.

Art. V. — Drawing up of programmes.

Art. VI. — Approval of contracts.

Art. VII. — Provisions relating to the execution by the German Government of the part not covered by commercial contracts of the programmes relating to the execution of the Annexes of the Treaty, so far as these Annexes have not expired, and of the programmes relating to the execution of Clause 2 (*d*) of Annex II to the London Agreement.

Art. VIII. — Orders of the Reparation Commission and contracts under the Bemelmans-Cuntze Agreement (Berlin, 2nd June 1922) and the Gillet-Ruppel Agreement (Paris, June 1922) passed before the 1st September 1924.

Art. IX. — Payments.

Art. X. — Measures for the application of sub-paragraph 2 (Re-exportation) of Clause 2 (*c*), of Annex II to the London Agreement,

Art. XI. — Arbitral Tribunals.

Art. XII. — Infractions and frauds.

Art. XIII. — Revision of the present Regulations.

11. The Regulations also include the following Annexes:

Annex I. — *Lists.*

A) Excluded commodities.

B) Rationed commodities.

C) Commodities which can only be partially paid for out of the funds of the Agent for Payments.

D) Certain rationed commodities of which the ration has, in order to reach a compromise, been fixed by the Committee itself.

Annex II. — *Form of bills.*

Annex III. — *Special regulations* for sulphate of ammonia prepared by synthetic processes and other synthetic nitrogenous products.

(Report by the Sub-Committee on Nitrogenous Products as approved by the Committee)

ANNEX IV. — *Special regulations* for coal, coke and lignite.

(Report by the Sub-Committee on Coal as approved by the Committee).

ANNEX V. — *Special regulations* for the transport of coal, coke and lignite.

(Report by the Sub-Committee on Coal and Transport as approved by the Committee.)

ANNEX VI. — *Special regulations* for dyestuffs and chemical drugs.

ANNEX VII. — *Extracts from the Minutes* of the Meetings of the Committee.

12. The drafting of Article XI of the Regulations (Arbitral Tribunals) remains reserved.

The Committee had to fix the arbitration procedure, on the one hand for the interpretation of the Regulations and, on the other hand, for the settlement of disputes which might arise in regard to the carrying out by the German Government of provisions of sub-paragraph 1 of Clause 2 (*c*), of Annex II to the London Agreement.

The Committee has considered it advisable to postpone any decision in this matter until the negotiations now in progress between the Reparation Commission and the German Government concerning the constitution of the Arbitral Tribunal created under Clause 1 of Annex II to the London Agreement have been concluded. It hopes to be able to complete the Regulations on this point during the month of April.

13. Another task is reserved to the Committee by the Regulations, namely, the fixing of the co-efficients of List "C" (former list "B" of the Bemelmans-Cuntze Agreement, modified).

The revision of these co-efficients is necessary in view of the fact that they were established in 1922, and that since that time the economie conditions of the production of certain commodities may have varied to a considerable extent.

The Committee has taken measures to call together, with a view to this revision, a group of technical experts, for whom it has drawn up instructions and whose work is to be guided by M. Bada for the Allied Members and by Herr Litter for the German Members.

This work should be completed by April 5th, 1925; the Committee will meet towards April 15th, 1925, to examine the results and to take the necessary decisions. The mandate of the Committee will have to be prolonged for this purpose; the Committee requests, further, that its mandate be extended and that it be given full powers by the Reparation Commission and by the German Government, in order that it may take a final decision in this matter. The Committee presumes that the Reparation Commission will communicate with the German Government for this purpose.

The Regulations provide for a provisional régime pending this decision.

14. Certain of the Members have brought before the Committee the question of the utilisation of reparation funds for the payment of certain "services" rendered by the German economic system to the Government of a creditor Power or its National and not arising out of a contract drawn up in the usual commercial form within the meaning of Article VI of the Regulations. It is a question in particular of the current expenses of embassies, consulates, concerns of certain creditor Powers established in Germany, balances due between railway systems of creditor Powers and the German railway system, etc.

The Committee has decided that this question was not within its terms of reference and that the procedure which it has laid down applies only to the commodities and services which fulfil the double condition :

a) Of being supplied by the German economic system and

b) Of arising out of a contract of delivery (commodities and services) within the meaning of the London Agreement and of Article VI of these Regulations.

15. The Committee has also dealt with the question of orders and contracts passed before the coming into force of the Experts' Plan, and which Governments of certain creditor Powers desire to have completed under the Plan.

The provisions which the Committee has laid down for this purpose, in agreement with the Powers specially concerned, are dealt with in Article VIII of the Regulations.

16. The question of principle which is referred to in the last sub-paragraph of paragraph 6 above and which the Committee has left for discussion between the Reparation Commission and the German Government, is that of the charging of the costs of passing reparation coal through the customs. On February 23, 1923, the Reparation Commission refused to allow the German Government to include these costs in the price of coal. The German Members of the Committee stated that the German Government had from the beginning called for a reconsideration of the question, and claimed moreover that the application of the Experts' Report changed the aspect of the problem. The Committee declined to examine the question of principle involved and the Members, other than the German Members, expressed no opinion on the subject. It was merely recognised that the German Government was entirely free to ask the Commission to reopen the question, and, if necessary, to call for an interpretation of the Experts' Plan. Pending the settlement of this point the present decision of the Reparation Commission will be applied, but if it is amended the amendment will take effect as from the coming into force of the Regulations.

17. In conclusion, the Committee considers its task completed, with the following reserves :

During April it will probably have to examine the special agreements which the Governments of the creditor Powers should conclude with the representatives of German industry for dyestuffs and for the transport of reparation coal, and possibly if all the agreements have not been definitely concluded or do not appear to be in accordance with the provisions of the London Agreement, it will have to revert to the examination of the questions of principle which provisionally, and upon the most reasonable supposition, it has considered as likely to be solved on practical lines.

It hopes to be able at the same time to decide upon the constitution of the Arbitral Tribunals.

These two supplementary tasks require merely a prolongation of its mandate.

It will moreover have to meet about April 15 in order to determine the co-efficients of List C. In this connection it requests that its mandate be not only prolonged, but extended so as to allow it to take a final decision.

Lastly, in the light of the most recent information received by the Committee, certain conditions of Article IX (Payments) may give rise to certain difficulties both on the part of the Agent for Payments and of the Reichsbank. The Committee intends to send some of its Members to Berlin about March 23, on which date the Transfer Committee is to meet to conduct the necessary discussions on this subject and, in case of need, to make any amendments of detail in Article IX which may be considered necessary.

18. The supplementary decisions which the Committee thus proposes to take after submitting its conclusions only concern special points. The Committee does not consider that the postponement of these decisions, rendered necessary by the circumstances, hinders in any way the immediate approval and the speediest possible putting into force of the Regu-

lations, from which it confidently expects results in keeping with the spirit which has guided its discussions.

19. Under the last paragraph of Clause 3 of Annex II to the London Agreement, the Regulations must be approved by the Reparation Commission, and by the Transfer Committee (so far as the Transfer Committee is concerned), and it is understood that they cannot be modified without the consent of the German Government.

Some Members of the Committee have had conversations with the Agent for Payments particularly in his capacity as Chairman of the Transfer Committee, but the Committee has made no official communication to the Transfer Committee, considering that this duty falls to the Reparation Commission.

I have the honour to be, etc.,

Signed : MARC. WALLENBERG.